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Police Raid Local Helsinki Watch Committee Office

AU2508111593 Tirana ATA in English 1033 GMT 25 Aug 93

[Text] Tirana, August 25 (ATA)—On August 16, the Erseka police in southeastern Albania invaded the local offices of the Albanian Helsinki [Watch] Committee, breaking down the door and scattering documents throughout the corridors, according to a report filed by the Committee.

This unlawful and unprecedented act violates the very human rights and freedoms the Helsinki Committee was established to defend. This unfortunate incident demonstrates only too clearly that the mentality inherited from the period of the dictatorship has not yet completely disappeared.

The Kolonja branch of the Albanian Helsinki Committee, protests this unlawful act and calls on the authorities to establish the responsibility for those guilty of this action.

Law on Former Victims of Persecution

AU2108181293 Tirana RILINDJA DEMOKRATIKE in Albanian 6 Aug 93 pp 1-2

["Law on the Status of Those Formerly Convicted and Politically Persecuted by the Communist System"]

[Text] On the basis of Article 16 of Law No. 7491 of 29 April 1991 "On the Main Constitutional Provisions" and on the proposal of the Council of Ministers, the People's Assembly of the Republic of Albania decrees:

Definitions

Article 1

The status of formerly convicted and persecuted persons, further called "status," is granted on the fundamental criteria and conditions of a person having been politically sentenced or persecuted, and involves rights and obligations in accordance with the degree of persecution.

Article 2

Political persecution, further called "persecution," is considered to be any act of failure to act between 8 November 1941 and 22 March 1992 on the part of any armed formation or individual of the National Liberation Army, the state security service, the police, the Army, or a local government organ on the basis of an order or decree of the party, military, state, or judicial organs of the Albanian communists, when this act or failure to act led to loss of life, freedom, or civil rights or classification as kulak or declassed person, as well as any other debarment of the individual from political, economic, and social life because of his political or religious convictions or attitudes.

Classification of Those Formerly Convicted and Politically Persecuted

Article 3

On the basis of the Law "On the Innocence and Amnesty of Those Formerly Convicted and Politically Persecuted" No. 7516, amended by laws 7660 on 14 January 1993 and No. 7719 of 8 June 1993, those with the status of victims of political persecution are divided into five categories:

a) Persons who have lost their lives or are mentally ill because of persecution.

b) Persons sentenced to imprisonment or who survived as outlaws within the country because of persecution.

c) Persons sentenced to internment or deportation because of persecution; Albanians with foreign citizenship, now Albanian citizens, who have lived in concentration camps especially built for them.

d) Persons who have lost civil rights, village kulaks, declassed persons, and those who have suffered privations of various kinds because of persecution.

e) Persons who, although fulfilling the conditions for inclusion in one of the above categories, do not gain the right to this status.

Article 4

Albanian citizens who lost their lives, freedom, or suffered other privations mentioned in Article 3, Paragraphs A, B, C, and D outside the territory of Albania during the time they worked for the administration during the years of antifascist war, or later as a result of the impossibility of their remaining in Albania because of the persecution to which they were subjected, regardless of the fact that the final persecution was carried out by non-Albanian communist forces, gain the full rights guaranteed by this status.

Article 5

The persons categorized by Article 3 Paragraph E are:

a) The high-level communist nomenclature under the criteria established by the Council of Ministers.

b) State security service collaborators and witnesses at political trials whose activities led directly to such crimes as the murder, imprisonment, internment, deportation, etc. of citizens.

c) Those convicted for political reasons whose sentences include a sentence for theft, plunder, murder, or serious assault equal to or greater than the political element of their sentence, and rapists.

d) Those convicted or interned for political reasons whose political sentences include the common crimes mentioned under Paragraph C of this article and who, before this conviction, were sentenced twice for theft or plunder, regardless of the level of punishment.

e) Person falling in the category of Article Three Paragraph D who have lost the moral right to be so categorized because of public denial of their political convictions or renunciation of their ties with relatives falling under Article 3 Paragraphs A, B, C, and D, when this is testified in writing by the person himself defined as a victim of persecution under these paragraphs.

If this person has died, the court decides this matter on the proposal of the presidiums of the Association of Former Political Prisoners and Victims of Persecution in the neighborhood or village where he lives or has lived.

f) Those proved by the Appeal Court to have been officials of the authorities practicing violence, terror, or espionage and those who collaborated with the occupier.

Article 6

All family members or relatives of persons considered under Article 5 of this law will be included under Paragraph D of Article Three when they fulfill the relevant conditions, regardless of whether the person because of whom they were persecuted has acquired the right to this status or not.

Rights

Right to Material Compensation

Article 7

Material compensation for victims of political persecution will take the form of: immediate cash awards, life pensions, compensations for salary, land, business premises and other forms of material benefit that may be irrevocably given to the persecuted person or to his family, if he has died, in compensation for his loss of life and freedom and his unpaid labor and suffering, with the principal intention of creating conditions and possibilities of integrating him and his family into the normal economic and social life of our country. The form of material compensation will be decided by a special decree of the Council of Ministers.

Article 8

The material compensation defined in Article 7 covers the categories of people mentioned in Paragraphs A, B, and C of Article 3. Those victims of persecution included in Paragraph C who were paid for work performed during the time when their liberty was restricted do not gain this right.

Persons categorized under Paragraph A, besides the right to a pension recognized by the above legal provision, are also given an immediate cash award. The amount to be granted will be determined by special provisions after the approval of this law.

Article 9

The time for which compensation will be calculated will be the full length in days of the sentence according to Paragraphs B and C of Article 3.

Calculations of the amount of compensation for this period will be based on the highest basic pay rate in mines operative in the period between 1945 and 31 December 1990, corrected according to the average rate of price increases at the time when the compensation is calculated.

Article 10

The registration period for recognition of the right to this status will continue until 31 December 1993. Applications will not be considered after this deadline, except in cases of the total impossibility of applying, testified by a court decision.

Article 11

Material compensation will begin three months after this law comes into effect.

Compensation will be concluded by 31 December 1994.

Other Rights

Article 12

By special acts, the government will guarantee to all those persons included under Paragraphs A, B, and C of Article 3 concessions and priority consideration of their individual or collective demands in the following economic, financial, and social fields:
a) the privatization of state property,
b) grants of credit,
c) construction and housing,
d) tourism,
e) education and training,
f) employment within Albania and abroad,
g) the realization of various national and international economic and social programs,
h) the health service.

The date concluding the grant of these concessions will be decided by a special law.

Intermediate Provisions

Article 13

All persons categorized under Paragraphed B, C, and D of Article 5, although not recognized as having the right to this status, will be given material compensation in accordance with the provisions of this law.

Article 14

The right to this status is personal. Property rights stemming from this status may be transferred to heirs according to the dispositions of the Civil Code on inheritance, but only once and only to persons included under Paragraphs A, B, and C of Article 3.

The Organs and Procedure for Granting Status

Article 15

A trilateral commission will be created to grant the right to this status, consisting of:
a) three representatives of the Justice Ministry
b) three representatives of the State Commission for Former Victims of Political Persecution
c) three representatives from the National Association of Victims of Political Persecution.

The level of representation and procedures for meetings will be decided by special dispositions issued by the Council of Ministers.

Article 16

Documents recognized for the grant of the right of this status in the cases categorized under Paragraphs A, B, C, and D of Article 3 are as follows:

For Paragraph A:

—A certificate from the Commission of the Ministry of Public Order and the Justice Ministry in cases in which a person has been killed or has died as a result of persecution.

—A legal and medical report from the time when the persecuted person lost the power of judgement because of persecution and a current legal and medical report showing that this situation is still true today or continued until the date of death, if the persecuted person is no longer alive. The degree of incapacity at which a person acquires rights under Paragraph A will be determined by a commission specially created for this purpose by the Ministry of Health.

For Paragraph B:

—A certificate of conviction from the Justice Ministry showing the length of time spent in prison.

—A decision from today's court testifying to the length of time spent as an outlaw, in the cases of persons living as outlaws within the country.

For Paragraph C:

—A decision of the courts or the internment commissions of the Ministry of Public Order.

For Paragraph D:

—Testimonies from the convicted or interned person who became the cause of the persecution of other persons. These other persons may not be more remote than nephews, nieces, grandsons, or granddaughters. Also valid are other forms of documentary evidence, not only court decisions, proving the persecution of anybody because of his blood or social ties with persecuted persons included under Paragraphs A, B, and C of Article 3 including cases covered by Article 6 of this law.

In all cases where it is not possible to secure documented testimonies from the time the persecution task place, interested persons have the right to settle their cases in court.

Article 17

All documents described in Article 16 will be collected by the presidiums of the associations of former political prisoners and victims of persecution and the associations of former victims of political and economic persecution in neighborhoods, villages, and towns in cooperation with the state inspectors for victims of political persecution in the districts, who will send them to the Committee for Former Victims of Political Persecution. This committee will collate them and submit them for consideration at a meeting of the trilateral commission.

Article 18

On the basis of the proposals of the National Presidium of the Association of Former Political Prisoners and Victims of Persecution, the trilateral commission mentioned in Article 15 is given the right to consider special cases for the granting of this status to all persons excluded from this right under Article 5 of this law. After the examination of these applications, the decision of this commission is final.

Article 19

Persons who unjustly acquire this status are obliged to return the sum of material compensation receive according to the rights stemming from this status.

Persons acquiring this status with documents legally proved to have been falsified, besides returning the sum they have unjustly obtained, will also be subject to criminal prosecution according to the disposition in force.

Final Dispositions

Article 20

All legal dispositions conflicting with this law are anulled, except when considered otherwise by this law.

Article 21

The State Commission for Former Victims of Political Persecution is the state authority responsible for the enforcement of the rights obtained under this status.

Article 22

This law comes into effect immediately.
[Dated] Tirana, 29 July 1993.
No. of law: 7748.
[Signed] Pjeter Arbnori, chairman of the Presidium of the People's Assembly.

'Sources' Say Zhelev May Abandon Berov

AU2308132893 Sofia KONTINENT in Bulgarian 20 Aug 93 p 2

[Report by Miroslava Belcheva from Sofia on 19 August]

[Text] According to sources in the Presidency, the agrarian reform is not progressing, and if the Berov government fails to carry it through in conformance with its own program and the adopted law, Zhelyu Zhelev will probably distance himself from the cabinet. However, the president's adviser Georgi Spasov told journalists today that "there is no split between us and the prime minister." He added that the president is not a participant in any plot to overthrow the government. Zhelev will support the cabinet's actions as long as they are aimed at fulfilling the program and are in conformity with the laws for changing the system, Georgi Spasov explained. However, after the news conference he hinted to KONTINENT that certain ministers clearly do not feel at home in their posts. Without supplying any specific facts or names, he did not deny that Deputy Prime Minister Neycho Neev, Agriculture Minister Georgi Tanev, and Health Minister Tancho Gugalov will be replaced. According to Spasov, it was far too early to consider sending the prime minister into retirement.

The president has no intention of interfering in the work of the Council of Ministers, but will use his constitutional powers to encourage the cabinet to continue the reform to change the system, Georgi Spasov declared. Ivaylo Trifonov added that if necessary, Dr. Zhelev will deliver an address to the nation, in the event of any danger to the reform appearing. The hints concerning a second gathering in the grounds of the Boyana Residence [in summer of 1992, when Zhelev attacked the Filip Dimitrov cabinet of the time] and plots against the government were to say the least inappropriate, adviser Trifonov said. The presidential team still hoped that the Berov government would not submit to the pressure from the BSP [Bulgarian Socialist Party], but would carry out the privatization and real land restitution. However, so far the cabinet had not done this. By the end of August, plans were supposed to have been prepared for 1,010 farm plots, but so far only 310 had been completed, Spasov explained. In his view, the agrarian reform had not advanced one inch. The boundaries of thousands of farms had not been defined, and the borders had not been drawn between private, state, and military property. Over 1.5 billion leva were needed for the farmland reform, Georgi Spasov said, but not only was this money not available, but no one had even asked for it. We cannot rely on foreign investments and aid, Spasov believed, because we cannot prove that Bulgaria has private landowners.

Spasov announced that in many places changes had been made in the liquidation councils on political grounds or because of incompetence. In most cases, the personnel changes were made at the suggestion of the local BSP mayors, but a deputy agricultural minister approved the new appointments in some instances. This was not in order, because only Minister Tanev is entitled to sign such decisions. The BSP is evidently unhappy with Zhelev's clear stance on the land reform, Ivaylo Trifonov added, and therefore wants to introduce a bill that the president should be elected by the National Assembly. It became clear at today's meeting at the Presidency that Zhelev will distance himself from the government if there is a clear indication that the government will not be able to restore 60 percent of the farm land before the end of the year.

Commentator Says Embargo Must Be Observed

AU2408093393 Sofia DEMOKRATSIYA in Bulgarian 19 Aug 93 p 3

[Commentary by Professor Mikhail L. Ognyanov: "Now Is the Time"]

[Text] A high-ranking official said on national radio, in connection with the Romanian railroad workers' strike, that it is now time to violate the embargo against Serbia. This is a typical example of the Bulgarian shortcoming of small-time thinking. Regardless of how long it goes on, the Romanian strike is a temporary event, while the events in former Yugoslavia, and consequently, the embargo, will last much longer. The result of juxtaposing Bulgaria against the entire world community could be the inclusion of Bulgaria in the embargo zone. Our dependence on the Serbian communists led by Milosevic will be even greater. Our subjugation to a communist superpower that ruled us for 47 years was unworthy. Subjugation to a communist state with a real potential that is lower than ours would be even more unworthy. The roads toward understanding and friendship with the Serbian people are different, and we hope the future will open them. However, for this we must show patience and tact until the time comes for a sincere dialogue with the Serbian people.

It is clear that the United Nations and the rich states will not compensate us for the losses we have suffered as a result of the embargo. They will be included in the price Bulgaria will have to pay to become a full-fledged member of the European Community. In addition, national dignity also has its price. However, the losses caused by the embargo could be utilized more actively as an argument in helping to solve strategic, national, political, and economic tasks. The European states, and more precisely Germany and Italy, are interested in the trans-Balkan transportation and communications corridor. Now is the time to insist on their help in implementing this corridor. Bulgaria must see not only the immediate hardship, but also the prospective solutions.

Cabinet Approves Agreements, Government Bonds

AU2308195293 Sofia BTA in English 1756 GMT 23 Aug 93

[Text] Sofia, August 23 (BTA)—At its regular meeting today, the government approved a draft agreement on the avoidance of double taxation between Bulgaria and

Morocco. It endorsed a draft agreement between Bulgaria and Nigeria on reciprocal promotion and protection of investments. Minister of Finance Stoyan Aleksandrov, who proposed the two drafts, was authorized to negotiate and sign the agreements.

The government approved a report by Minister of Foreign Affairs Stanislav Daskalov concerning the withdrawal of Bulgaria's reservations about the Geneva Conventions of 1949 and the endorsement of the declaration under Article 90 of Protocol I to the Geneva Conventions of August 12, 1949. In 1954 Bulgaria ratified the four Geneva Conventions with reservations about some of their provisions. In the foreign minister's opinion, Bulgaria should reconsider and update its stand on the conventions in the spirit of the positive trends in the international humanitarian law. The Council of Ministers made a decision on the withdrawal of Bulgaria's reservations concerning the Geneva Conventions and the endorsement of the declaration under Article 90 of Protocol I, proposing to the National Assembly to adopt acts to this effect.

The government approved Resolution No. 47 passed on July 2, 1993 by the 76th session of the Working Group on Customs Affairs of the Inland Transport Committee with the United Nations Economic Commission for Europe concerning the introduction of an additional carnet with an increased guarantee (from 50,000 to 200,000 U.S. dollars) for the transportation of alcohol, tobacco and their derivatives. The government instructed the Ministry of Foreign Affairs to confirm Bulgaria's acceptance of the resolution to the UN Economic Commission for Europe. The new guarantee enters into force as from September 1, 1993.

The government approved a draft decree on the issue, servicing and payment of government bonds to finance the deficit. The draft was proposed by Minister of Finance Stoyan Aleksandrov to offset the growth of the internal public debt and make its management more flexible. The decree will regulate the issue of one-month treasury bills specifying their redemption period. The decree is expected to enter into force as from September 1, 1993.

A draft decree on financing the Patent Office was also approved. It was decided to open an extrabudgetary account for the resources of the Industrial Property Fund. The contributions to the fund will consist of taxes and other charges received by the Patent Office for its services.

The government listened to a report by Deputy Prime Minister Neycho Neev concerning the transfer of heatpower supply companies from the power engineering system to the municipalities. As the municipal authorities are not in position to take over the liabilities and maintenance of heatpower supply enterprises, the government recommended to the Power Engineering Committee to draft special legislation concerning heatpower supply.

BNB Governor Views State of Banking System

AU2408171793 Sofia PARI in Bulgarian 18 Aug 93 p 5

[Interview with Professor Todor Vulchev, chairman of the Bulgarian National Bank BNB, by Chavdar Tsolov; place and date not given: "The BNB Did Not Permit the Plundering of State Property in the Banking Sphere"]

[Excerpts] [Passage omitted] [Tsolov] People have criticized you for claiming that the BNB [Bulgarian National Bank] stepped in to stop the secret privatization of the banking sector. Your critics claim that the facts indicate the opposite, because 1,631 million leva of the commercial banks' capital is in private hands. For example, the state holds only 63.5 percent of the capital of the Economic Bank.

[Vulchev] Some of the BNB's shares in the commercial banks were sold in 1990, before the present BNB Board was elected. I am thinking of the shares of the former Kremikovtsi bank and some others. In January 1991 these operations were completely forbidden, and later the ban was extended to cover the sale of bank shares held by state enterprises and organizations and institutions financed from the national budget. I believe that we have good grounds to claim that the BNB did not permit the plundering of state property in the banking sphere, as happened in the case of many industrial and agricultural enterprises.

It is true that some violations have occurred. There are isolated cases of state enterprises selling bank shares and cases of new shares being issued in contravention of Paragraph 6 of the transitional and concluding provisions of the Banking and Credit Act, which explicitly prohibits this without first obtaining the BNB's permission and revaluing the assets of the bank concerned. However, this does not worry us particularly, because the shares in question are issued to named persons, and one can always check when the shares were sold, by whom, and to whom. The deals can be declared invalid. We are carrying out such checks.

However, we are approaching the important date of 31 December 1993 that the law defined as the date of expiry of the ban on state banks making new share issues without the BNB's permission. As of 1 January 1994, the state banks may start issuing new shares and selling them to private individuals, which will imply partial privatization and a reduction of the state's share of the banks' capital. In principle, such a process is desirable, but it should take place with the knowledge of the government and parliament. The latter must decide on the structure of ownership in the banking sector and determine which banks should be privatized. The Bank Consolidation Company is working on a report on this important issue.

It is true that private capital in the banking sphere now amounts to 1.6 billion leva. It has increased mainly as a result of the formation of new private banks. The relative proportion of private shareholders in the so-called state banking sector, that is, banks in which the Bank Consolidation Company holds shares, is only 16.6 percent, or 646 million leva (on 3 June 1993). If we were to exclude from this calculation only four banks—the First Eastern International Bank, Touristsportbank, the Agricultural Credit Bank, and Agrobusinessbank, all of which were regarded from the outset as private banks with minimum state participation, then the amount of private capital in the state banking sector would decrease to 203 million leva, or 5 percent.

[Tsolov] What progress has been made with the recapitalization of the banks?

[Vulchev] Recapitalization has been one of the severe problems facing the banks in recent years. The state banks are accumulating additional capital (reserves) at an unsatisfactory rate, because of the high taxes on profits, the nonpayment of interest on bad credits on a massive scale, and high inflation. The banks are becoming decapitalized.

We can achieve an increase in their capital (recapitalization) to the level required by the Order on Capital Sufficiency in a number of ways: by consolidation (merging state banks), by the state banks issuing new shares, by privatization, or by the state taking new shares in the state banks. However, the Finance Ministry is unlikely in the near future to have any free resources that it can pump into the banking sector. As a result, we will probably have to accelerate the privatization of certain state banks, in the hope that large and small investors will direct their attention to the banks.

In Poland a stabilization fund of $1 billion provided by the Western states was used to recapitalize the banks. However, no similar fund has been set up for Bulgaria. We will have to rely on our own capital possibilities, which are not great, and on attracting foreign bank capital.

[Tsolov] When will citizens' deposits be insured? Is it true that the high interest rates are often merely a lure, concealing the instability of the banks offering them?

[Vulchev] At the outset, this problem was of no great importance in Bulgaria, because most of the population's deposits were in the State Savings Bank, and these deposits are guaranteed by the state. When some of the term deposits were transferred from the State Savings Bank to the commercial banks and when the latter began to attract new depositors (generally by offering higher interest rates), we could no longer ignore the issue. We have started to investigate the practices followed in other countries, and this investigation is continuing.

The details of the insurance system have not yet been finalized, but one can say that a full guarantee will not be issued for all deposits. Normally only the deposits of small savers in the national currency are guaranteed.

When interest rates are offered that differ substantially from the general level, depositors should ask themselves why this is so. Perhaps the bank is experiencing a shortage of liquid funds? Or perhaps it is new and wants to win a position in the market? Or again, perhaps it is operating efficiently and placing its assets in areas of high profitability?

[Tsolov] Which foreign banks will receive permission to operate in Bulgaria and what are the principles for issuing such permits?

[Vulchev] In principle any foreign bank may apply to open branches or to form independent banks in Bulgaria, even when they are totally financed by foreign capital. In such cases, Order No. 2 of the licensing regulations applies. The BNB will naturally not issue permits to all of them. We prefer first-class banks with good reputations. We do not want unknown banks with capital of uncertain origin that, one may suspect, are likely to engage in dubious business transactions. Unfortunately, the first-class foreign banks are showing extreme caution regarding opening branches in Bulgaria. However, the first ones have already made some capital investments, and we expect others to follow their example. [passage omitted]

[Tsolov] Does the fact that parliament reelected you as BNB governor mean that you no longer wish to retire?

[Vulchev] My intention to resign before the expiry of my five-year term was quite sincere. However, after the complications that arose, for which I was not responsible, and following the result of the parliamentary vote (when 170 deputies voted for me), my withdrawal would have signified disrespect to parliament. I will have to carry on until the end of my term of office, or until parliament relieves me at its own initiative and for no other reason. [passage omitted]

[Tsolov] Is not bank inspection the weak spot in the BNB's work?

[Vulchev] We have undoubtedly made progress. We have attracted young people through competitions. Real bank inspection requires high skills that take years to acquire. Personal qualities are also needed, such as a sense of self-esteem and a certain pinch of courage. In addition, you should not forget that no bank likes an inspection, even though it is carried out in the bank's own interest and to guarantee the stability of the entire banking system.

Big Losses in State Agriculture Sector Reported

AU2308121493 Sofia BTA in English 1115 GMT 23 Aug 93

[Text] Sofia, August 23 (BTA)—Agriculture posted over 1,400 million leva losses (the current exchange rate is 27 leva to the dollar) in the first half of 1993, reads a financial report of the Agrarian Ministry on the activity of 481 companies with a predominant state holding, subordinated to the ministry.

Manufacturing in this sector posted first-half proceeds of 13,000 million leva. Proceeds were highest in flour production (4,000 million leva), fodder production (2,900 million leva), pig-breeding (1,800 million leva) and poultry-farming (1,700 million leva).

Expenditures in the same period totalled 14,400 million leva, of which 12,400 million on production and 1,600 million in financial outlays. The latter constitute 11.48 percent of all outlays and 99 percent of them covered interest payments on loans, the ministry's report says.

Only two of the 13 agricultural subsectors ended the first half of the year with a profit. Pig-breeding and poultry-farming suffered the biggest losses, 873,000 leva and 305,000 leva respectively.

The large amounts paid in interest on loans during the period are pointed out by ministry experts as the major cause of the negative financial results. The sector owed banks an estimated 6,500 million leva by June 30, of which 5,400 million leva (83.95 percent of all liabilities) on short-term loans and interest, and 360 million leva on long-term loans and interest on them. Pig-breeding and poultry-farming are the biggest debtors. According to experts, agricultural companies would have earned a profit of 202 million leva if it were not for the interest payments.

The downward trend in the effectiveness of production and in the companies' financial state and solvency is most prominent in pig-breeding, poultry-farming and freshwater fish farming, the ministry's report says. In view of this, ministry experts have worked out a special rehabilitation programme, providing for urgent financial aid to companies of national importance for the development of these subsectors.

Klaus Interviewed on Yeltsin Visit, Arms Exports

LD2408194093 Prague Radiozurnal Radio Network in Czech 1600 GMT 24 Aug 93

["Regular interview" with Prime Minsiter Vaclav Klaus by Katerina Kasparova and Vaclav Musilek, place and date not give—live or recorded]

[Excerpts] [Passage omitted] [Kasparova] Mr. Prime Minister, let us have a look at your schedule for this week. A meeting with Russian President Boris Yeltsin is to take place. Is it going to be a standard discussion by state officials on bilateral relations and cooperation, or is there any special topic that you would like to discuss with Boris Yeltsin?

[Klaus] Boris Yeltsin's visit to our country is rather special and is not standard. There are no standard topics to be discussed. This visit will not involve standard procedure: There will be no official talks and it will be extremely short. It is a pity. We hold the Russian president in high esteem. The fact that he will arrive here after spending two and a half days in Poland, and will only spend four hours in our country, that is too bad. [passage omitted] I think that these talks can hardly bring anything tangible, any concrete results. Those are left for other talks and simply are not the objectives on this occasion.

[Kasparova] By the way, there are some yet unclear points regarding the signing of the Czech-Russian Treaty. An official of the Russian Foreign Ministry said that the wording has been practically completed. However, it is not clear yet whether the treaty will be signed this week.

[Klaus] Precisely, this is one of the open questions. This visit is not a standard one. A regular treaty takes a while to be prepared. [passage omitted] I think that it is a matter of few more hours to see whether the treaty will be prepared in a form that will allow the government to approve it at its session tomorrow. [passage omitted]

[Musilek] Attention is paid to the Czech Republic also by the German weekly DER SPIEGEL and [name indistinct] television station, as they similarly, but for different reasons, note that we have already forgotten our promises to abolish the arms industry and once again have embarked on this well-tried export article. Do you think that they are entitled to this view?

[Klaus] First of all, I do not think that we—as the state, as the country—ever promised anything of this kind. I think that those were just ideas voiced by some officials of our country. Moreover, at that time, they were officials of the past Czechoslovakia and not of the Czech Republic. The Czech Republic of course did not undertake any obligation in any serious sense. And it is out of the question that it would take such a step.

Second, neither did we take any steps in the opposite direction. The Czech Republic is not developing any arms program. In this sense, the decision taken by the government was a zero option. The only thing we did is that we did not order the demolition of factories producing this or that arms product. This means those factories exist, are functioning, and if they find buyers, let them sell their products—if they fail to find them, that is simply tough luck. [passage omitted] What we heard is the view of one or another journalist as a private person in Germany.

To hear this from Germany would be really ironic because, I think, Germany's arms industry is really rather above the zero level and its volume is many times larger than our arms industry.

[Musilek] Does this mean that your government does not intend to intervene in the process of arms production in any other way than by issuing arms export licenses?

[Klaus] The government intervenes in two ways only. First, by permitting or not permitting their export—that is issuing export licenses; and second, through state commissions for this or that product of our arms industry. [passage omitted]

A dream of idealists and pacifists about putting an end to wars in the world by banning arms production is simply a childish dream, which, in my view, does not have any place in politics at all. [passage omitted]

[Kasparova] It is well known that Czechs abroad would really appreciate having the right to vote in our country, using the so-called postal vote method. This is also supported by some political countries in our country. Do you think that this right should be embodied in an appropriate law?

[Klaus] My personal view is: Certainly not. Basically, those who want to get involved in public affairs should get involved in public affairs in the country where they live, where those matters concern them. I consider the involvement from far away to be totally unfair. [passage omitted] I will never agree with this—and I say that firmly.

Klaus on Access to Security Files, Health Care

AU2308195093 Prague TELEGRAF in Czech 21 Aug 93 pp 1, 3

[Interview with Prime Minister Vaclav Klaus by Viktor Krejci; place and date not given: "The Prime Minister Does Not Recommend the Introduction of Outpatient Fees"]

[Text] We asked Prime Minister Vaclav Klaus for his comments on recent events. We are talking about the Czechoslovak Social Democratic Party's [CSSD] demand that a law be adopted that would allow citizens access to the documents kept on them by the StB [State Security], the meeting on health care between the prime minister and the relevant ministers, and the reports in some media that there is no unity in the Civic Democratic Party regarding support for Stanislav Devaty.

[Krejci] Mr. Prime Minister, how do you feel about the CSSD's demand that a law be adopted that would enable citizens to view records kept on them by the former StB? Is it not late, is it not an exercise in futility?

[Klaus] It is a question as to whether there could be any positive outcome from such a step, and I cannot see any possible benefit. Nevertheless, I do not have a strong opinion either way, and judge it by my own person: There is no doubt that sometime in the past, someone must have said things about me, but I can promise that I would not have the slightest interest in seeing these records and discovering that others said something bad about me. Even if such a law were adopted, I would not go to see my file, and I have a feeling that many other people would think like that because there simply is no need for any additional aggravation.

[Krejci] Why, in your opinion, did the CSSD come up with this proposal now. After all, there have been occasions when it would have had some significance, but they were not interested then.

[Klaus] I believe that we are dealing with the incessant populist games that this party plays, and it is part of their style to come up every day with a new show of this type.

[Krejci] The information in the media was rather obfuscated on the most recent talks on health care that you held with Ministers Ludek Rubas and Jindrich Vodicka. There was a story that patients who see a doctor would pay a certain outpatient fee in cash just for coming. If that were the case, would it, on the other hand, reduce insurance premiums? Otherwise, the patient would have to pay more than he does now.

[Klaus] First, I would like to say that the meeting was called to deal with the growing costs of health care, which result from the system of financing this sector being based on a passive automatic financial coverage of performed or sometimes (and I do not mean to be ungracious) just reported service. Everybody who remembers the central planning with its production indicators will note that this is an identical system. The enterprise directors were interested in the maximization of the performance just as any doctor is today. The purpose of our conference was to seek some brakes, or a change of this system that would slow it down or prevent it from happening.

Second, the idea of an outpatient fee to be paid by everybody who sees a doctor, even if it is only 10 korunas, is one possibility, which I myself do not recommend, and I must admit that we have not reached an agreement there, i.e., nothing has been decided.

The third point, of course, is that the possible introduction of this fee must not translate into an increase of the transfer of money from the citizen to health care. This means that compensation through a reduction of insurance premiums would have to be implemented, and certain very complex reimbursements for citizens who do not pay the insurance, e.g. pensioners, who would have to have their compensatory allowance increased. Hence, the end result would mean more complications than benefits.

[Krejci] There are also rumors that citizens who do not take proper care of their health, and have to see a doctor because of their own carelessness, would have to pay cash. Such things are very hard to prove, could result in protracted disputes, and people would be afraid to go to see a doctor.

[Klaus] I would also oppose this idea. There is certainly some truth in the idea that the individual is primarily the one who is responsible for his health, and only then the doctor, but it must not become a complication if the patient visits a doctor when he considers it necessary.

[Krejci] I would consider a situation where a doctor decides on whether or not I take proper care of my own health an intrusion into my life and a violation of my privacy.

[Klaus] Of course, I agree with you.

[Krejci] Reports have appeared in the press that some Civic Democratic Party representatives do not support Stanislav Devaty as the tenured director of the Security Information Service.

[Klaus] These are just fabrications. We all have our own opinions on this or that person, some like him more, some less. Nevertheless, I promise that speculation about support or lack of it for Mr. Devaty simply does not exist within the Civic Democratic Party. Our support for Stanislav Devaty is unequivocal.

Baudys Seeks Apology for 1968 Russian Invasion

AU2408092693 Prague MLADA FRONTA DNES in Czech 21 Aug 93 p 1

[Report by "(km)": "Baudys: Russia Should Apologize"]

[Text] Prague—According to Defense Minister Baudys, Russia should apologize for the Soviet invasion to Czechoslovakia in August 1968.

"Russian generals and Russian units participated in the then Soviet invasion," Antonin Baudys said in an interview with MLADA FRONTA DNES.

He reacted to the statement issued by Boris Yeltsin, on Thursday [19 August], that said that Russia cannot apologize, since it was not its own action. The August 1968 invasion was, according to the Russian president, an action conducted by the Soviet Union.

"We must search for a certain modus vivendi, since a treacherous attack against other country is the worst thing that can happen," Antonin Baudys said. "If someone wants to denounce it, then he should face it straight. I believe, however, that talks between the Czech and the Russian sides have progressed much in that respect. I do not want to suspect that the Russian side wants to shun historical responsibility for 1968," he said.

When asked how likely it is for the Russian Federation to apologize for the 1968 invasion, the minister replied: "I cannot use this formulation, but I believe that chances are good."

Discusses Intervention in Yugoslavia

AU2308133093 Prague MLADA FRONTA DNES in Czech 21 Aug 93 p 2

[Interview with Defense Minister Antonin Baudys by Jaroslav Kmenta; place and date not given: "Baudys: There Is a Difference between Czechoslovakia 1968 and Yugoslavia 1993"]

[Text] Prague—Defense Minister Antonin Baudys considers the August 1968 events to be the highest treason that can be committed against a country and a nation. In this connection, in his interview for MLADA FRONTA DNES, he spoke in favor of the integration of the Czech Republic into the European security structure as early as possible, be it NATO or the West European Union.

[Baudys] NATO has prevented possible conflicts between member countries. It would be good if we succeeded in establishing something like that over a larger part of Europe.

[Kmenta] Some mass media, and also some politicians, compare the 1968 invasion to Czechoslovakia to the intended intervention of allied troops on the territory of the former Yugoslavia.

[Baudys] However, there is a difference between the then Czechoslovakia and today's Yugoslavia. In Yugoslavia, there is a nationalist civil war, while in our case, this was a flagrant violation of all international treaties and rights.

[Kmenta] In your opinion, should allied troops intervene in the Yugoslav conflict, then?

[Baudys] A military operation is the last resort. What is happening on the territory of the former Yugoslavia is unequivocal evidence that too many people prefer power-oriented and national interests. International institutions are facing a dilemma. When can they intervene, with such terrible things happening as in Yugoslavia? When they can tolerate something, and when can they not? There are no mechanisms that would tell us how to proceed in such situations. The current situation in Yugoslavia is a consequence of the lack of such mechanisms.

[Kmenta] What advice regarding the Yugoslav conflict would you give to the world community with respect to the experience of the Czechoslovak nation in 1968?

[Baudys] It is difficult to provide advice to those around Yugoslavia. However, we must give advice to those who are in Yugoslavia to stop behaving stupidly, for God's sake, to stop killing one another, to stop all military activities, and to sit round a table and not to leave it until an agreement on peace is reached.

Dyba Lists Reasons for Optimism About Economy

AU2308184593 Prague MLADA FRONTA DNES in Czech 21 Aug 93 p 6

[Article by Economic Minister Karel Dyba: "On Economic Optimism and Realism"]

[Text] A U.S. diplomat specializing in economic affairs recently complained that serving in the Czech Republic was slightly boring. The arguments he used are probably more clearly recognizable to an outside observer than they are to us: The political situation is consolidated and lucid, the division of political power and the orientation of the coalition are clear, the concept of economic transformation is thoroughly worked out and its progress evident, and the economic situation is stabilized.

Most foreign economic experts' assessments are similar.

When commenting on the economic situation and its immediate prospects, opposition politicians and economists usually talk about destruction, collapse, catastrophe, or fraud.

Government economists (and I, in particular) are often being accused, especially in the media (see, for example, MLADA FRONTA DNES of 18 August 1993), of indulging in excessive and unwarranted optimism.

At the same time, all opposition politicians, economists, and journalists follow the same economy, avail themselves of the same data, and most of them also have the same chance of obtaining empirical experience in the same economic environment.

Wherein lie the causes of such a divergent assessment of the reality? Or, to put it differently, what is it that accounts for what Mr. Marek [author of a MLADA FRONTA DNES commentary on 18 August that described government officials' optimistic statements about the state of the economy as premature] labeled as my professional ministerial optimism?

1. Ever since we drafted the project of economic transformation, it was obvious that this process would be enormously complicated and accompanied by huge costs, arising from the process of transformation itself, as well as from the extent of the economy's past devastation.

2. Since the start of transformation, the internal economic development has been accompanied and influenced by external factors that have greatly complicated the situation (loss of eastern markets, partition of the federation, long-lasting recession of western economies).

3. Western Europe's euphoria over the fall of communist regimes has completely evaporated and given way to

economic pragmatism, which erects barriers to a number of our goods in which we have a clear comparative advantage.

4. The hard macroeconomic figures (balance of payments, rate of exchange, state of fulfillment of the state budget, rate of inflation, foreign exchange reserves, foreign debt, rate of unemployment) undeniably indicate a positive development. These figures are not an end in themselves, but they reflect the fact that the macroeconomic sphere operates better than was to be expected in this phase of privatization.

5. Considering the brief period that has elapsed since 1990, the structural changes (such as the share of the private sector, the share of small and medium-sized firms, the share of market economies in foreign trade turnover, the share of services in the generation of gross domestic product) have been striking and positive.

6. Household savings and expenditures are growing, demand for investment credits among businessmen is enormous, the level and structure of imports testify to high domestic demand for investments, and the volume of direct foreign investment is growing (albeit at a somewhat slower pace than last year, for example).

7. The decline in aggregate output and in the volume of industrial production (we are dealing with figures that are soft [mekky] because they are very difficult to prove exactly) is not as large as the statistical data indicates (we are not yet able to fully assess the output of small private entrepreneurs). Moreover, in its true extent, the decline is natural and easy to explain (given the overindustrialization of the past, the necessity to reorient production toward new programs and new markets, the existence of a certain vacuum in the period between privatization and the standard execution of ownership rights by the new owners, the impact of external shocks). Besides, it is difficult to speak about a massive decline at a time when the revenue side of the state budget is being fulfilled (that is, taxes are being paid) and when both imports and exports of domestic firms are rising.

8. After more than five decades, a capital market has been launched, including its foremost institution—the stock exchange.

9. The transformation is taking place under conditions of social peace and, as public opinion surveys indicate, with steady support from the majority of the population.

10. There is no doubt that a number of partial areas can be found that still do not function according to the citizens and the government's ideas. Yet we need to constantly bear in mind that the economy is determined by the conduct of its basic elements, that is, economic entities, that is, people, whose way of doing things cannot be changed overnight. Therefore, all stable positive shifts in an economy are always evolutionary, that is, gradual, and are effected in a sequence of steps and not in radical leaps.

I believe that when I assess the development so far as positive, taking into consideration all the above facts, I have the right to call myself a realist rather than an excessive optimist, as I am often being labeled.

Minister Wants To Limit Foreign Shares in Media

AU2408105593 Prague CTK in English 1855 GMT 19 Aug 93

[Text] Brno, South Moravia August 19 (CTK)—Foreign investment in Czech daily and weekly publications should be limited for now, at a time when the political and economic structure of Czech society is taking shape. Czech Minister of Economic Competition Stanislav Belehradek expressed this at a press conference today.

In this connection, he also pointed out that restrictions can be applied only on the basis of legal rulings which will require political will-power to be pushed through. On the contrary, all types of capital should have free unlimited access to the mass media.

Belehradek brought this up at an August 17 cabinet meeting where his ministry's material on foreign investment in the press was discussed. He felt that the problem has two sides: An economic one and more importantly, a political one. He feels, however, that evaluating the possible influence which foreign investment in the press might have on economic relations was explicitly concluded regarding the possibility of influencing economic competition.

Possible impacts and concrete examples will be decided according to the law on the protection of economic competition and the commercial code. From an economic point of view, there is no reason to limit foreign investment in the press, the minister said and added that the foreign share can exist either in publishing or in individual titles. Belehradek himself expects that a Czech citizen would head such an organization.

He expressed doubts that some foreign investment should not have in its intentions only seeking out advantageous business but also other intentions such as the possibility of influencing public opinion to their advantage. Belehradek stressed that several other cabinet members expressed the same apprehension at the August 17 meeting. Therefore, the Czech minister of foreign affairs will be requested to make a statement from a foreign policy standpoint. Then the whole issue can be resolved from all sides, he said.

According to Belehradek, the question of procedures of the Ministry of Economic Competition against the Vltava and Labe publishing companies was not and can not be discussed. These 11 administrative decisions were given because the law on the protection of economic competition was broken and not because one of the participants is an entity supported by German capital. According to Belehradek, in the course of administrative procedures and the making of a decision not even advice of economic ministers or the government or the premier, but only the court, can have the last word.

Statistical Office Publishes Trade Statistics

AU1808165793 Prague HOSPODARSKE NOVINY in Czech 17 Aug 93 p 8

[Report by the Department of Price Statistics and Foreign Trade of the Czech Statistical Office: "Foreign Trade of the Czech Republic in the First Half of This Year"]

[Text] The introduction of value-added tax and the consumer tax for imported goods and the introduction of compensatory payments for some imported agricultural commodities and food products have been among the factors that have had a major impact on the foreign trade of the Czech Republic since the beginning of the year. One of the repercussions of the CSFR's partition has been a substantial increase in the number of organizations subject to customs proceedings because firms trading with Slovak companies have had to move from domestic trading to foreign trade activity and start using customs documentation.

In the first half of 1993, compared with the same period a year ago, imports (excluding imports from Slovakia) grew faster than exports (excluding exports to Slovakia). While imports grew 16.1 percent, exports grew 7.8 percent. The territorial structure of foreign trade has undergone a major change in that the Slovak Republic became a foreign trading partner. More than 50 percent of the foreign trade turnover is now effected with states bordering on the Czech Republic. The period under review saw a significant increase in the volume of Czech exports to China. The structure of imports and exports in terms of individual categories of merchandise continued to undergo changes.

The aggregate value of imports, including imports from Slovakia, amounted to Kc164.7 billion in the first half of the year, while the aggregate value of exports, including exports to Slovakia, amounted to Kc165.6 billion. The trade balance ended with a moderate surplus of Kc0.9 billion.

According to preliminary calculations, import prices were more than 3 percent lower in the first half of 1993 than in the corresponding period last year and the index of the physical volume of imports increased more than 20 percent. Export prices increased 2 percent and the physical volume of exports increased by more than 5 percent. The terms of trade index reached a value of 105.5 points.

From the territorial viewpoint, Slovakia accounted for 19.0 percent of overall foreign trade turnover, states with advanced market economies for 58.1 percent (EC countries alone for 43.2 percent), the republics of the former Soviet Union for 8.8 percent, developing countries for 5.1 percent, European states with transitional economies (without the republics of the former Soviet Union) for 6.8 percent, and states with a state-controlled trade system for 2.2 percent.

As for trade with the Slovak Republic, the value of imports amounted to Kc30.9 billion in the first half of the year and the value of exports to Kc32.3 billion. The trade balance was in surplus to the tune of Kc1.4 billion. The trade balance was in surplus from January through April, but in May the surplus turned into a deficit and this trend continued in June. With a share of 32.5 percent in total imports and a share of 26.7 percent in total exports, market goods [trzni vyrobky] played a dominant role in the exchange of goods and raw and other materials, followed by machinery and vehicles with a share of 21.9 percent in total imports and a share of 25.6 percent in total exports.

Imports from states with advanced market economies increased 29.2 percent in the first six months of the year, compared with the same period a year ago, while exports to these states increased 10.1 percent. Although the Czech Republic had a surplus of Kc6.2 billion in trade with EC countries, the trade balance with states with advanced market economies in their entirety showed a deficit of Kc2.4 billion, due largely to a deficit of Kc5.0 billion in the balance of trade with countries of the European Free Trade Association. The dominant role among imports from states with advanced market economies was played by machinery and vehicles, which represented almost 50 percent of all imported goods and materials. Market goods, with a share of 32.6 percent in total exports, played the dominant role among Czech exports.

Imports from developing countries increased 4.9 percent and exports to these countries increased 4.7 percent, compared with the same period in 1992, and the trade balance ended in a surplus of Kc5.5 billion. A total of 32.0 percent of imports was accounted for by food and livestock and another 32.4 percent by machinery and vehicles. More than 45 percent of exports to developing countries was accounted for by machinery and vehicles. The share of market goods in exports to developing countries was also high: they represented almost 40 percent of total exports.

Imports from European states with transitional economies, without the republics of the former Soviet Union, increased 9.1 percent, while exports to these countries declined 26.3 percent. The trade balance ended in a surplus of Kc3.2 billion. Market goods accounted for more than 30 percent and machinery and vehicles for 26.1 percent of exports from the Czech Republic to these countries. Mineral fuels, lubricants, and related materials; market goods; and machinery and vehicles all had a share of approximately 20 percent in imports from these countries.

The surplus created in trade with countries with state-run trade (North Korea, Laos, China, Cuba, Vietnam, Mongolia) was Kc5.3 billion, since exports to those countries grew dynamically. Various market goods were dominant in overall imports, making up more than 50 percent of all imports, and in exports, market goods made up more than 70 percent of all exports.

Trade with the former Soviet Union continued to decline. Imports were at 83.4 percent of last year's level, and exports at 91.3 percent. The trade deficit was Kc12.1 billion. According to individual groups of goods, the main imports were: mineral fuel, lubricants and related materials, since crude oil and natural gas are included here. This group accounted for 75 percent of all imports. Machinery and vehicles were the largest group of exports and accounted for 44.3 percent of total exports.

In the breakdown according to individual countries, imports from the FRG accounted for 24.9 percent of total imports in the first 6 months of 1993, followed by the Slovak Republic with 18.8 percent, the former Soviet Union 13.2 percent, Austria 7.5 percent, Italy 4.3 percent, and the United States 3.2 percent. Imports from the United States, Hongkong, Finland, Malaysia, Belgium, Taiwan, and South Korea increased most sharply compared with the same period last year.

Exports from the Czech Republic were directed toward Germany—27.6 percent, the Slovak Republic 19.5 percent, Austria 6.1 percent, the former Soviet Union 5.8 percent, Italy 5.6 percent, China 3.6 percent, and the United Kingdom 3.4 percent. Compared with the same period last year, exports increased mostly to China, Egypt, Hong-Kong, the United Kingdom, Brazil, South Africa, and the United States.

In the breakdown according to groups of goods, imports of mineral fuel declined 6.1 points to 13.9 percent in the January-to-June-1993 period, compared with the same period last year. However, the import of the most important items among mineral fuel was only slightly smaller than in the same period last year. In the first half-year of 1993, a total of 3 million tonnes of crude oil were imported (3.4 million tonnes in the same period of 1992) and 3.5 billion cubic meters (3.7 billion cubic meters) of natural gas. Imports of machines and transportation equipment increased 3.5 points, reaching 37.3 percent, and market goods 2.6 points, reaching 12.5 percent. The percentage of food, livestock, and non-fuel raw materials in overall imports declined.

In the structure of exports according to individual goods in the first half-year of 1993, there was a 4.6-point increase, compared with the same period last year, in exports of machines and transportation equipment, reaching 28.3 percent of total exports. On the contrary, exports of chemicals declined 2.8 points to 7.3 percent. The percentage of the most important item, which are market goods (34.3 percent of total exports) has slightly declined.

Foreign Trade of the Czech Republic in the First Half of 1993

(in million Czech korunas, all charges paid up to the border of the delivering state)

Turnover

	1992[1]	1993			
	Jan-Jun	Jan-Jun	Apr	May	Jun
Total	—	330,383	57,917	61,160	60,294
—Slovak Republic	—	63,293	11,741	11,569	9,965
—Without Slovak Republic	238,833	267,090	46,176	49,591	50,329
States with advanced market economies	158,361	188,473	33,479	34,926	35,962
—EC countries	118,193	141,331	25,738	26,149	25,610
—EFTA countries	28,604	32,824	5,522	6,036	7,582
Developing countries	19,851	20,805	3,599	4,439	3,763
European states with transitional economies (without former USSR)	22,444	19,127	3,249	3,787	4,023
Former USSR	36,605	31,369	4,938	5,389	5,707
Countries with a state-controlled trade system[2]	1,529	7,147	888	1,023	839
Unspecified	43	169	23	27	35

Imports

	1992[1]	1993			
	Jan-Jun	Jan-Jun	Apr	May	Jun
Total	—	164,741	30,706	31,195	32,187
—Slovak Republic	—	30,935	5,646	5,864	5,767
—Without Slovak Republic	115,215	133,806	25,060	25,331	26,420
States with advanced market economies	73,864	95,430	18,102	18,316	19,536
—EC countries	52,219	67,561	13,154	12,890	14,002
—EFTA countries	15,556	18,903	3,551	3,625	3,807
Developing countries	7,280	7,638	1,333	1,490	1,347
European states with transitional economies (without former USSR)	7,296	7,963	1,589	1,542	1,536
Former USSR	26,047	21,730	3,830	3,777	3,827
Countries with a state-controlled trade system[2]	685	902	183	190	149
Unspecified	43	143	23	16	25

Exports[3]

	1992[1]	1993			
	Jan-Jun	Jan-Jun	Apr	May	Jun
Total	—	165,642	27,211	29,965	28,107
—Slovak Republic	—	32,358	6,095	5,705	4,198
—Without Slovak Republic	123,618	133,284	21,116	24,260	23,909
States with advanced market economies	84,497	93,043	15,377	16,610	16,426
—EC countries	65,974	73,770	12,584	13,259	11,608
—EFTA countries	13,048	13,921	1,971	2,411	3,775
Developing countries	12,571	13,167	2,266	2,949	2,416
European states with transitional economies (without former USSR)	15,148	11,164	1,660	2,245	2,487
Former USSR	10,558	9,639	1,108	1,612	1,880
Countries with a state-controlled trade system[2]	844	6,245	705	833	690
Unspecified	—	26	—	11	10

Footnotes:
1. Results as processed in July 1993
2. DPRK, Laos, China, Cuba, Vietnam, Mongolia
3. On the basis of extrapolation

Documents on Army Activity in 1969 Declassified

AU2408121393 Prague MLADA FRONTA DNES in Czech 12 Aug 93 p 2

[Report by "(km)": "Nekvasil Has Declassified Documents Dealing With the Activity of the Army in Occupation Years"]

[Text] Prague—With the approval of Defense Minister Antonin Baudys, Jiri Nekvasil, commander of the General Staff of the Army, declassified documents on the activity of the Army and its abuse during the suppression of democratic activities of resistance in 1969.

They are orders of the then Defense Minister Martin Dzur to his subordinates and documents linked to the participation of the then Czechoslovak Army in securing peace in August, documents which were presented to Dzur by General Rusov, commander of the General Staff.

It is for the first time that documents testifying to the activity of the top Army echelons during occupation years can appear publicly.

Strasky on South African Air Traffic Agreement

AU2308154993 Prague CTK in English 2011 GMT 20 Aug 93

[Text] Prague, August 20 (CTK)—In an interview today for CTK, Czech Minister of Transportation Jan Strasky discussed the signing of a standard agreement on civil air transport between the Czech Republic and the Republic of South Africa.

According to the agreement, the two sides can introduce either regular or special direct connections between the two countries. The document was signed during Strasky's visit to South Africa from August 13 to 16.

Strasky said that the Czech side was considering such air route, but it will not be a matter of a few weeks, he added.

The minister also said that reconstruction of the Prague-Ruzyne airport [sentence incomplete as received]. When reconstruction is complete, the international airport will then have an annual capacity of 4 to 5 million passengers. Reconstruction will be carried out by a foreign-shared joint-stock company, and completed within 36 months.

Meciar Addresses Seminar on Privatization

AU2408123593 Prague CTK in English 1726 GMT 20 Aug 93

[Text] Presov, East Slovakia, August 20 (CTK)— The transition of the Slovak economy to a market one is unavoidable but it will require a longer period of time and the coordination of industrial policies, Slovak Premier Vladimir Meciar said today.

Addressing a seminar of Slovak economics ministers and representatives of financial and business circles on the further course of privatization in Slovakia, Meciar said that both the economic system based on central planning and the attempts to heal it with shock therapy have failed in Slovakia. It is not enough to merely convert state-owned enterprises into joint stock companies, Meciar said, adding that first of all it is necessary to establish a group of private owners and market relations between them, and to precisely define the conditions for competition and the rules of the market.

Meciar said that legislative conditions for stabilizing the Slovak domestic market ought to be created and that the domestic market should orient itself towards markets in Eastern and Central Europe.

He said that to be a success, privatization in Slovakia should be accessible to all without differences. The existing concepts of privatization so far have not allowed equal access to financial sources, he said.

Meciar said that some 600 state-owned enterprises worth 200 billion Slovak crowns (6 billion USD) are up for sale in the second wave of coupon privatization in Slovakia.

Today's seminar is designed to work out a general concept for the second wave of coupon privatization, as well as proposals for necessary legislative steps which would be submitted to the Slovak parliament.

Minister Describes Rise in Violent Crime

AU2408174293 Bratislava NARODNA OBRODA in Slovak 21 Aug 93 pp 1, 2

[Report by R. Delincak: "Criminals Are More Brutal"]

[Excerpt] [passage omitted on a meeting of the parliamentary Petition Committee in Zilina] Interior Minister Jozef Tuchyna told NARODNA OBRODA that his ministry is not satisfied with the current crime situation, but he rejected the view that the police are passive. On the contrary, they investigate and deal thoroughly with all cases; at the same time, however, they have to proceed from the possibilities of the state budget and the nature of the crime.

Some 65,703 crimes had been reported in Slovakia by 1 July 1993; 36.7 percent of them were cleared up. Three quarters of the crimes, 51,288, are property-related and this category continues to rise. The number of murders (67) is alarming. This is 22 more than last year; 73.1 percent of them have been solved.

The minister describes the situation with regard to violent crime as ominous because the number of murder cases involving firearms is increasing, criminals are becoming more violent, and private businessmen are beginning to crop up among the victims.

The number of robberies well planned in advance and involving a tip-off is multiplying. Apart from knives, cutting implements, and firearms, the use of electrical stun devices, whose sale and number will obviously be supervised, is on the increase. The 17 burglaries of apartments belonging to wealthy citizens, against whom masked intruders used firearms, narcotic and paralyzing substances, and tear gas, is also alarming.

A new type of crime, so-called "racketeering" or blackmailing of businessmen by organized groups of criminals from the former Soviet Union and Yugoslavia, is now being committed in our country. The number of thefts involving break-ins is also high, 21,960, but fewer than a quarter of these have been cleared up. Fewer than a third of the burglaries of private apartments have been cleared up.

The minister said that, although citizens digest all these facts with a feeling of fear and depression, the current crime situation in Slovakia is the price we have to pay for democracy. However, we will definitely have to amend the criminal law and other norms so that they more effectively protect the law-abiding citizen. The current situation is playing into the hands of the criminals, who take advantage of the flawed legislation. The situation will begin to change on 1 September when the new police law takes effect.

According to the minister, the crime rate in Slovakia per 10,000 inhabitants is, compared with other countries in Europe, still relatively low. In our country 198 crimes are committed per 10,000 people; this figure was 333 in the Czech Republic; 1,050 in Denmark; 563 in France; 642 in the United States; 1,347 in Sweden; 922 in Canada; and so on. [passage omitted]

Union Disagrees With Transport Price Hikes

AU2408102793 Prague CTK in English 1819 GMT 19 Aug 93

[Text] Bratislava August 19 (CTK)—Slovak trade unions disagree with the proposed increase in railroad passenger fares and cargo fees while employers are protesting the rise in cargo transport fees, chairman of the Union of Education and Science Workers Kamil Vajnorsky told CTK today.

Speaking after today's meeting of the Slovak Tripartite Council of economic and social agreement, comprised of representatives of the government, unions and employers, Vajnorsky said the proposed increases are too high because this is not the first. The measure will not result in saving funds, but taking current wages into consideration it will almost be more profitable to remain jobless rather than pay such high transport costs, he said. He voiced the view that the rise in cargo transport costs would also raise the prices of products which in the long run would affect the population negatively.

The Tripartite Council approved a bill on accident insurance and on the establishment of the accident insurance office. Under the approved principles, employers would cover accident insurance for their employees. Slovak Minister of Labour, Social Affairs and the Family Olga Keltosova said employers should try to create optimal conditions for their staffs because the amount of insurance payments would depend on it.

The insurance office will not work on a commercial basis, but the government will provide it with initial capital of 130-160 million Slovak crowns (approximately 4-5 million USD) [U.S. Dollars]. Slovak Deputy Premier Roman Kovac told CTK that the insurance office would start activity as of January next year.

Ministries Commission Polls on NATO

AU2408140493 Bratislava NARODNA OBRODA in Slovak 21 Aug 93 p 2

[Report by "(apl)": "A Total of 44.7 Percent Want To Join NATO"]

[Text] Bratislava—At a news conference yesterday, Dr. Emil Kuchar, section director at the Slovak Republic's Foreign Ministry, announced the results of public opinion polls that were commissioned by the Defense and Foreign Ministries from the Methodical and Research Cabinet of the Slovak Radio at the beginning of the summer. (A sample of 1,345 respondents).

A total of 20.3 percent were unequivocally positive about the statement that NATO is, in its present form, the only functional guarantor of security, 35.1 percent partially agreed, and 25.2 did not agree. At the same time, a high percentage (47.5 percent) agreed with the statement that, to fulfill its new role, NATO will have to adjust to the new situation. A total of 25.4 percent partially agreed.

Two questions were aimed at the justification of NATO's existence. Only 9.7 percent agreed with the statement that its existence is unjustified, 17.7 percent partially agreed, and 45.5 percent did not agree. A total of 16.1 percent believe that the unification of Europe will lead to the end of NATO, 17.2 percent agreed partially, and 31.4 percent did not agree.

The last question of the total of eight questions was of the referendum type: If you could participate in the decision on the Slovak Republic joining NATO, would you be in favor of Slovakia's joining? A total of 44.7 percent said yes, 20.2 percent said no, and 35.1 percent did not know.

From an analysis, it ensues that joining NATO was mostly supported by entrepreneurs, residents of Bratislava, people with university education, men, and the age group between 25 and 29. Students and people with high school education were mostly against joining NATO.

Antall Delivers Speech on National Day

AU2408140893 Budapest UJ MAGYARORSZAG in Hungarian 21 Aug 93 p 5

[Speech by Prime Minister Jozsef Antall on the occasion of St. Stephen's Day in Budapest on 20 August: "There Is No Future Without Past"]

[Text] My Hungarian compatriots within our borders and outside our borders! Citizens of Hungary! Eminences, high-ranking officials of the Hungarian state, representatives of the diplomatic corps, Your Excellencies, esteemed guests! Ladies and Gentlemen! I greet everyone on this day when the whole country is celebrating. I stand here at the statue of our state-founding king St. Stephen, at the foot of the ancient Hungarian coronation church with great emotion but also with great hope for the future of this nation, here in Buda, at Castle Hill, which has been not only a symbol but also our strength since the Tartar invasion [in 1241].

Now, as the nation remembers its three great national days, namely our King Stephen's Day, 15 March 1848, and 23 October 1956, we are celebrating one of this great group of national holidays, one the Hungarian Parliament declared as National Day.

It did so not only because it is the oldest holiday, but also because it is the best symbol of all Hungarians. These three holidays represent a steady and organic continuity. What does each of them speak of? The eternal Hungarian program, the Hungarian freedom, the Hungarian independence, and the difficulties and obligations of a thousand years of renewal.

What do the past, present, and future that connect us represent to us? We are often accused of looking to the past. Whoever thinks that looking to the past means we neglect the present and fail to look to the future is a foolish man. There is no future without the past and, in looking to the future, we must hold onto the roots of the past; history makes it clear that, with all its chaos and its often total confusion, the present only shows the future if we study it on the clarified model of the past.

The past gives us historical knowledge and has made it possible for us to overcome the prevailing present, and it also gave us confidence in the future, because we know what we have gone through. What does this day mean to us? What does our thousand-year-old statehood mean to us? What does our joining Europe with its Christian ideological and ethical basis, and what does our 1,100-year existence in the Carpathian Basin mean to us? And what does it mean that, among the many nations in the great migration of peoples in the past, this nation alone settled here?

Yes, we settled here, because we not only brought our ancient Fino-Ugric tongue and the ancient great Iranian and Turkish cultural heritage with us, but we also brought everything else that represented the elements of a settled form of life in cultural activity, artistic treasures, and spiritual life, and all the other activities that made it possible to quickly accept the laws and statehood when we took up Christianity.

This ancient culture could easily transform itself and it provided a good basis for the Christian belief of the modern Europe of the time and, therefore, St. Stephen means for us that it has deep roots in the ancient culture of our nation, and this ancient culture easily created an organic unity and became an organic unit of Europe, together with Christianity. This St. Stephen's heritage means that individual independence and national independence has priority over everything. It means that this individual and national independence can only survive if it is rooted in deep moral bases. It also means a strong government power. A strong government is a guarantee of a constitutional state, because chaos leads nowhere; chaos has always led to anarchy or dictatorship, and the vicious circle started again.

St. Stephen's heritage means that Magyardom, Christianity, and Europeanism cannot be separated from each other, and our whole spiritual life and our Europeanism are rooted in this.

St. Stephen's warnings to his son teach us that his was a wise and firm state leadership, with deep sensitivity toward every problem facing the simple people, and responsibility for the whole country and Magyardom everywhere. St. Stephen's heritage teaches the Hungarian nation's ability to accept others. We accepted foreigners one thousand years ago, and this is natural in our current historical conscience. It is not accidental that, when we think of St. Stephen, we mention the accepted foreigners as guests. This accepting nation, Magyardom accepting foreigners was described by [famous poet] Endre Ady at the beginning of the 20th century in the following words: "My arms reach out toward all those whom conscience, command, fate, intention, and opportunity have made Hungarians."

Speaking about the Hungarian statehood and legal development today—and many people speak differently about this—I must say that, for us, legal development and legal continuity mean that, although there can be different forms of government, the ancient Hungarian kingdom, the Hungarian constitutional monarchy, and the current parliamentary republic create one unity.

Rather than denying it, we regard everything connected with St. Stephen's kingdom as a result of a natural constitutional development. It is also part of this particular Hungarian constitutional development that the Hungarian kingdom always slightly resembled the republic. Therefore, the constitutional republic could easily make use of the natural elements of the constitutional monarchy because, in every age, this nation created a pluralist democracy based on a constitution and freedom.

What is it all about when we read in St.Stephen's warnings that his son should cooperate with the high nobility and the priests? This already meant the distribution of power at that time and a means of avoiding tyranny. It was also characteristic of the Hungarian statehood later, and is how Hungarian constitutional developments made it to the responsible government in 1848. Hungary has always preserved this constitutionalism, except when foreign powers eliminated it or when Hungary was subjugated by foreign powers. And this constitutionalism is what we have brought back now with the current change in the regime.

The distribution of power, central government, and self-government became deeply ingrained in this nation's way of thinking, and all this characterized this one thousand years of development.

But how? St. Stephen's counties were not self-governing counties, but state administrative and military defense organizations of the central power; these organizations started on their way to becoming self-government units in the 13th century, beginning with Zala County, and followed by other places. This led to the development of a self-governing system of the counties in Hungary, and all the aspects of this system were already clear at the time of King Zsigmond in the 15th century. This is how the Hungarian self-governing system developed, from counties to cities and up to the central government; in the modern age, all this coupled with professional public administration. Lajos Kossuth pointed out that the modern age means that a modern state does not only have some military, defense, and public administration tasks, but also has to deal with everything from cultural issues to social welfare.

At this time, the issue of self-government and central government become the basis of studies written by Kossuth in his essay "Centralism and Municipality." This is the big question that has been debated for centuries.

I would not like anyone to misinterpret these issues, that is, central government and self-government and what it all means in the modern age, everything that we have created and want to see balanced.

In this spirit, I must say that St. Stephen's heritage does not only mean this internal state development but, given its independence, it also means what we are doing here in this part of Europe and in this region. Hungary is located along large historical and strategic lines. This country has never been on the periphery, and we have never been able to overcome anything easily by concealing ourselves behind a more sheltered part of Europe, because we have never been sheltered! This was indeed the highway of nations, and every war crossed this land, and here we were always trampled down.

Therefore, we must always follow world developments with utmost attention, because we cannot affort for one minute to to cease watching the current or future dangers. We should be happy that history has brought a change in which foreign troops have left our country, and we are now independent, but we must make use of this independence. All our kings, from the time of St. Stephen and even earlier, knew what lines cross this region from East to West. Whenever this region was threatened either from the East or West, they relied on a third power if necessary. That is why it was so important to have contacts with church states and a balanced European foreign policy with the Byzantium, the Holy Roman Empire, and later with other Eastern empires, up to the most recent times, with the giant Russia, the Soviet Union, and others. I do not have to provide the whole list.

For a thousand years, we have been warned that we are located at the border and lines of various empires, where new dangers can emerge every day, and those who disregard this warning are foolish. We must now strive to make good use of the independence and freedom we have recently gained. We hope the world will be wiser and we hope there will be no new wars in this region.

The world, however, is often led by nightmares and emotions rather than by reason and rationale. We should never forget that! Something that does not seem to be dangerous today, might become a danger tomorrow. Together with the world, and now as part of a unifying Europe and as part of a big community, and as part of a future NATO area, this nation should take care of its own security and situation.

What does this mean for us who achieved the big steps, the withdrawal of foreign troops, the elimination of the Warsaw Pact, and the abolition of CEMA [Council for Mutual Economic Assistance]? All this means that the West and East must now cooperate with all its power to bring about peace, freedom, renewal, and a modern world. Today the world is facing new challenges. Not only Hungary has a serious heritage that we will never forget. We should remember that there would not have been a peaceful restructuring if world communism had not fallen into crisis. No one should believe that the previous regime would have given up power peacefully if it had not clearly seen this country drifting into an abyss. The economic problems that are currently also present in all spheres of our economic life began at that time, and not under our regime.

Even if our enemies are bored with it, we must constantly repeat this serious heritage, and we must also say that reorganization had its price in St. Stephen's day too, and it also has its price today. These side effects in the course of treatment seriously affect this country, when we again want to live with different property relations and in a different social, economic, and political regime, in order to survive. If Hungarians stuck to the old systems, we would succumb.

The third factor is the prolonged recession in the world. There is a recession not only in Hungary but also from America to Japan and from Britain to Germany, and these countries are facing serious economic and financial problems. How could the small Hungarian nation extricate itself from all this alone when large and rich nations are facing such serious dilemmas!

This means that we must think about all this, but with confidence, as we hear in Vorosmarty's Hymn. Indeed, this nation must strive to develop through work and be the worker of this development, to be ready for deeds and thus stick to its freedom.

For us, this day of 20 August has many good and bad memories. There were many cheated days of 20 August, those that the previous regime, although it did not dare to hide the spiritual importance of St. Stephen, nevertheless had to give another name. On this day, we must remember that, strangely enough, the month of August does not only mean the glorious 20 August for us but, in the course of our important historical dates, we remember the defeat in Vilagos and the tragedy of Mohacs also took place in the first and second part of August respectively. The tragedies of Vilagos and Mohacs surround our state foundation celebration. We should never forget that our defeats are also serious and we must draw power from our state-founding King Stephen in the middle our defeats.

It is the irony of history that Hungarian soldiers were forced to invade the former CSSR in the framework of the Warsaw Pact in August, and our dear "friends" in Moscow timed their coup for August, to threaten the world exactly at a time when Pope John Paul II was visiting Hungary. There are both good and bad memories, but these are just episodes in history compared with what 20 August means to us.

For every Hungarian, for every simple Hungarian, 20 August means that we preserve our past and we are doing everything for our homeland in the present, and as Kennedy once told the Americans: Do not ask what you your country can for you, but what you can do for your Hungarian homeland!

In conclusion, let this day be like a universal Hungarian national festival, when Hungarian from all over the world get together, just as former inhabitants return to their villages either in person or in spirit on the occasion of the village festivities. And St. Stephen's Day is the universal festival of this large village that is Hungary and the Hungarian nation, in which everyone should be here in spirit and in reality. Our current holidays and events remind us of this and symbolize all this.

Our national conscience should preserve all this, because only thus can we be Europeans and world citizens as well.

Pozsgay, Csurka, Others View Szarszo Meeting

AU2408145393 Budapest NEPSZABADSAG in Hungarian 23 Aug 93 pp 1, 5

[Report by Tibor J. Keri: "Everyone Expects Something Different From Szarszo"]

[Text] In memory of the 1943 meeting at Szarszo, a camp will be organized in Balatonszarszo between 23 and 29 August for "Hungarian survival." Well-known public figures will participate in the event but, for example, as we have previously mentioned, Prime Minister and Hungarian Democratic Forum [MDF] Chairman Jozsef Antall has not received an invitation. Talking about the meeting, he said that this kind of "patriotic front" type thinking is in contrast with the functioning of a multi-party democracy. Among other people, [National Democratic Alliance Chairman] Imre Pozsgay, [Hungarian Socialist Party member] Matyas Szuros, [MDF Deputy Chairman] Sandor Lezsak, [Defense Minister] Lajos Fur, [Minister for International Economic Relations] Bela Kadar, and Istvan Csurka [chairman of the Hungarian Way Movement] will be in Szarszo. Csurka said that everyone who is prepared to serve the nation has a place in this camp.

The camp, which has been organized for those who are interested in the vital questions of Hungariandom and who are committed to the popular movement, will begin on 23 August in Balatonszarszo. According to Sandor Puski, the well-known book publisher, who is the main organizer of the event, after the first announcement, more than 1,000 distinguished public figures applied to participate. However, a number of people, including Tamas Nagy, Sandor Nagy, and Jozsef Annus, later changed their minds.

Jozsef Antall said of the meeting that this kind of "patriotic front" type thinking would run counter to the functioning democracy, and, therefore, it was not a feasible way for us. He said that he does not believe that political forces that have fundamentally unreconcilable principles in the understanding of democracy or in the ideas about the future could be able to bridge over the established political structures either on a "populist-national" or "liberal-socialist" basis.

Talking about the so-called "patriotic front" business, Istvan G. Palfy, who will participate in the events, told PESTI HIRLAP that "as for acting as a patriotic front, I believe that no one can object in any way if a thousand people gather together in Hungary and discuss the country's future."

Parliamentary deputy Istvan Csurka told our correspondent on 22 August that, in spite of all the disturbing circumstances, after the forced and voluntary withdrawals, he still expects that Szarszo will show moral integrity. It will show that in spite of all machinations, the nation still has a committed group of leaders who think in terms of the people and the nation, who do not base their politics and ideas on lies, and who are ready to serve.

Csurka also said that "he suspects" that "pressure has been applied to" many of the speakers advertised in the preliminary program to stop them from going to Szarszo. They were pressurized by the government and left-wing political forces in an attempt to reduce the significance of the meeting. Csurka also agrees with Sandor Puski that there is a need to establish a future national coalition that is above the parties. This would also be justified by the fact that "since the MDF fell apart and submitted itself to the liberals, the national interest has not been represented by any significant political force, and only fragmented parties, irregular groups, and people left to their own devices remain," he said. Answering our question whether Matyas Szuros or Imre Pozsgay could be part of such a national coalition, Csurka stated that everyone has a place in it who accepts this service and who faces the past and the history of the past three years. "However great the differences of views are, through thinking together, we must show the possibility to the people that there is a group of leaders who are offering their services," he added.

Referring to the statements on the MDF's center not having received any invitations to Szarszo, Csurka said that he had not interfered with the invitations list, but had only made suggestions and requests. In his view, it is inaccurate to say that the MDF's center has not been invited. He said that it was only Jozsef Antall whom they had not invited. "I do not know whose center he is, perhaps of the MDF, but this is virtually an insignificant question," he said, because people who are drawn to Szarszo by their sense of duty will attend the meeting, for example Lajos Fur and Sandor Lezsak. "After so many pacts, not inviting Antall is not at all unexpected," he said. "One acknowledges the fact when one is not invited somewhere and does not create a 'national issue' out of it."

In connection with Szarszo, Bela Kadar previously told UJ MAGYARORSZAG: "We must find a better concord among national, individual, and party political interests, and find the coordination of the requirements of adjusting to international processes and the expedient forms of asserting national interests."

On 22 August, Imre Pozsgay again confirmed to our correspondent that he would be attending the Szarszo meeting. He expects a substantial dialogue and a consideration of the country's position at the meeting. He does not think that the terrifying visions that have emerged in connection with the meeting have any basis. He said that he also holds the view that the multiparty system and Parliament are the only two institutions of democracy. Therefore, he does not understand the "grumble and aversion expressed by certain people against the so-called basic democracy, namely the local governments and the popular initiatives." It has come to light that Parliament alone is unable to solve the problems that the country faces. Pozsgay is "not particularly bothered" that the prime minister described Szarszo as a "popular front type" gathering. He said that if he considers from where some of the current political forces started then the Patriotic Front was not the worst of places from this point of view.

In connection with the meeting, Izabella B. Kiraly, a parliamentary deputy who has been expelled from both the parliamentary group and the MDF, told PESTI HIRLAP that "Szarszo will only be some kind of a political window-dressing." As for the contents of the meeting, she thinks that the goal will be the popularization of one particular politician. The springboard is being prepared for Pozsgay and, in her view, this in itself is alarming, Kiraly said.

Weekly Comments on Austrian Minister's Statement

LD2208175293 Budapest MTI in English 1726 GMT 22 Aug 93

[Text] Budapest, August 22 (MTI)—"From where does Austrian Defence Minister Werner Fasslabend take the nonsense that tension over the Hungarian minority in Slovakia may lead to a military conflict? Although the situation of the minority is alarming, there is no responsible political factor in Hungary which would consider taking military steps in either the near or the distant future."

This is how "VASARNAPI HIREK", a Budapest weekly, commented on Fasslabend's statement in Saturday's "DIE PRESSE" on the chance of a Hungarian-Slovak military conflict.

"But then what is all this ballyhoo good for? The answer is perhaps hidden in the statement itself. When the purchase of sophisticated fighter planes is on the agenda, the bill fills all with horror. At such times some threat from the East comes in useful: When our neighbours are getting destabilized, we cannot remain undefended," the commentary says.

Referring to the fact that Russia is to repay a part of the former Soviet debts by delivering MiG-29s to Hungary in an aggregate value of USD 800 million, the commentary says, "if Moscow had owed Vienna hundred millions of dollars, the minister should not have to resort to such tricks."

Daily Attacks Fasslabend's Views

AU2408163593 Budapest MAGYAR HIRLAP in Hungarian 23 Aug 93 p 7

[Editorial by Gyorgy Fodor: "Visionaries and the Stress"]

[Text] A recent science program on radio discussed that if we talk too much about the many dangers ahead of us (AIDS, cancer, tuberculosis, and so on) then the fear and stress created by the words can actually make a perfectly healthy man ill. In an interview to the DIE PRESSE newspaper, Austrian Defense Minister Werner Fasslabend put the Austrian public at ease by saying that there was no need to worry, Austria would beat off any aggression, and its Army is actually a match for the Czech, Slovak, Hungarian, Bulgarian, or Romanian armed forces. Therefore, there is no need to worry, even if Slovakia and Hungary should get into a military conflict and another destabilizing force appeared in the neighborhood of the very much threatened Austria. But we do not have enough aircraft...—the minister complained.

It is itself unfortunate when the defense minister of a neighboring country predicts that we will find ourselves in a conflict with another country that neighbors us and them. According to the particular logic of the Austrian minister, it is even possible that Hungary will start a war with Serbia for the Vojvodina, the Greeks and Albanians will open hostilities, Turkey will declare war on Germany—perhaps Austria will invade Italy over the South Tirol. According to this way of thinking, there is no limit to the "possibilities," as this is—unfortunately—how Europe is. We are full of national minorities; therefore, is the number of possibilities for military conflicts theoretically infinite?

Fasslabend's statement was also unfortunate because Deputy Foreign Minister Ivan Baba has just held talks in Slovakia; he did not return from the consultations empty-handed, which is quite a result when we consider the number of disputed issues. Foreign Minister Geza Jeszenszky recently said that Slovak-Hungarian relations were better than suggested by newspaper reports and the general mood in Hungary is peaceful.

Fasslabend's statement would not actually be worth mentioning—the views of a defense minister on political issues are not important, unless supported by his government. However, in this case, we can be certain that Fasslabend talked about his private opinion.

The seers and the visionaries are why it is nevertheless worth talking about all this. The whole of Europe and half of America is full of prophets describing the dangers of the extension of the south Slav war, detailing the horrors of a possible Balkan war, discussing the chances of a new European catastrophe, counting the aircraft and army divisions, and virtually making bets on terrible ethnic and national minority clashes. In the meantime, they do not do anything to help fill the notions of security, the European security system, or peaceful and meaningful solutions.

We are not trying to cover ourselves when we refer to Baba's talks and Jeszenszky's statements: It is certain that Hungary will not start a war against Slovakia, and we can state the same for the Slovak side with confidence. Neither they nor we want war. In spite of the disputes and the ill-chosen, sometimes rude words, Slovakia and Hungary are working on facilitating a peaceful life for poor Austria—and for ourselves and themselves, too, despite Fasslabend's stress.

Inflation of 22-23 Percent Predicted for 1993

AU2408105993 Budapest MTI in English 1317 GMT 19 Aug 93

[Text] Budapest, 19 Aug (MTI)—Government Counsellor Janos Cinkotai, one of the experts attending the briefing, reviewed the development of inflation so far this year.

Quoting the latest figures of the Central Statistical Office, Cinkotai concluded that the rate of inflation in 1993 is expected to be around 22-23 percent, that is higher than the 16-19 percent forecast by the government.

Cinkotai said that in spite of this, 1993 should not be considered a poor year in this respect, as the dangerously rapid pace of inflation has been successfully curbed.

Minorities Law Outlined; Figures Reported

LD2408080093 Budapest MTI in English 0721 GMT 24 Aug 93

["Local Government and Parliamentary Representation for Minorities in Hungary"—MTI headline]

[Text] Budapest, August 24 (MTI)—Nationalities will be able to set up local and national authorities. Parliament is to elect an ombudsman to control and promote the enforcement of their rights.

According to estimates, eight to 12 per cent of the Hungarian population, that is 800,000 to 1.2 million people, profess themselves as belonging to various nationalities or minorities. The central budget is to provide about HUF [Hungarian forints] 3 billion (approx. USD 30 million), or 2.3 per cent of the state budget, in support for their organizational, educational and cultural goals.

Under the law, all ethnic groups that have been native in Hungary for at least a century and represent a minority among the population are defined as national or ethnic minorities. Their members are Hungarian citizens distinguished from other parts of society by their mother tongue, culture and traditions.

Accordingly, Hungary has the following minorities: Gypsy (400,000-600,000, or, by other estimates, 700,000-800,000 people), German (200,000-220,000), Slovak (100,000-110,000), Croatian (70,000-80,000), Romanian (25,000-30,000), Polish (10,000-15,000), Serbian (5,000), Slovenian (5,000), Bulgarian (3,000), Greek (3,000), Armenian (1,500), Ruthenian (1,000), and Ukrainian (500).

The law is a cardinal legal measure that needed to win a two-thirds majority: 304 mps [members of parliament] voted in favour, three against and eight abstained.

Preparation of the law began in the summer of 1991, with the involvement of the minorities' representatives rallied in the minority roundtable. The first versions moved amidst the frameworks of the right to association. By the time a version first came before parliament in june 1991, the autonomy of minorities had firmly become a basic principle in the wake of consensus between the six parliamentary parties. Parliament began discussing the proposal this March. It was again expanded in spring, mainly with measures for ensuring financial coverage of terms of the law. Recommendations from the Council of Europe were taken into consideration when creating the final form of the bill.

In the law, parliament declares that it considers the right to national and ethnic identity to be a part of universal human rights, that it will enforce the individual and collective rights of the minorities and will ban all measures that are aimed at, or result in, assimilation.

Individuals are entitled to declare and accept their affiliation to a minority, to be familiarized with and to foster their mother tongue, history, culture and traditions, to participate in native-language education, and to freely maintain relations with the state and community institutions of the parent country, and with minorities living in other countries.

As communities, the minorities can set up social organizations. They are entitled to parliamentary representation as set down in a separate law. Parliament is to elect a commissioner for minority affairs, an ombudsman, to promote the enforcement of minority rights.

The planned amendment of the electoral law enables minorities to enter candidates in individual constituencies. All nationalities can enter the party list elections with one list. Several nationalities can set up a joint list, but joint party lists are not permitted. The amendment ensures one preferential mandate each to the 13 minorities: While party candidates on lists need, on average, 20,000 votes for election, 3,000 votes will be sufficient when a preferential mandate is concerned.

The bill will go before parliament this autumn, and the ombudsman for minority rights is also expected to be elected at that time. However, the Constitution must be amended prior to the election, as its article prescribes a committee, rather than one person, to act as ombudsman.

Yeltsin Visits Warsaw, Signs Agreement

Walesa Statement

LD2508105893 Warsaw TVP Television First Program Network in Polish 0845 GMT 25 Aug 93

[Statement by President Lech Walesa after signing Polish-Russian documents in Warsaw; no video available—live]

[Text] Esteemed Mr. President, Ladies and Gentlemen: The declarations signed a moment ago—the treaty on trade and economic cooperation and other agreements—testify to our desire for continuing cooperation between Russia and Poland, cooperation initiated a year ago with the conclusion of the political treaty and other important agreements. They have opened a new stage in our mutual relations, setting a foundation for their new shape and giving them the character of a partnership.

Mr. President, as pragmatists we are aware that to sign even the best documents cannot by itself change reality immediately. The presidents' signatures only express the will of both sides. This is a very important act testifying to the understanding of the importance of our mutual relations, the need for their development and their importance for the future. But it is not just the presidents who have to be aware of the importance and significance of these contacts; they have to be understood, above all, by those who will implement them.

Judging from this perspective, Mr. President, I think that more could have been done during the past year. The beginning is always difficult. I believe that it is going to get better and better, that our ministers and businessmen will follow the example of their presidents and will learn from them how to understand each other, how to look ahead and to decide boldly.

The agreements signed today expand the framework of our cooperation and specify many joint projects. When we signed the treaty on trade and economic cooperation, the agreement on cooperation in culture, science, and education, and also other agreements, we gave all necessary instruments to those who are going to execute them. We have paved the ways in these domains. It will be easier for them to find one another now.

The agreement to build a system of transit gas pipelines has a very specific and practical dimension. It could serve as an example of a great and mutually beneficial investment undertaking, one that has great importance for the future. It shows the great possibilities for cooperation between our two countries.

Poland is counting on the speedy signing of the agreement on the protection of graves and places of remembrance of victims of war and aggression. This document has been almost fully negotiated. It will bear witness to the fact when we think about the future we do not flee the past, a difficult and tragic past. We refer to it in the declaration signed today. This is proof that we are capable of talking to each other, that we understand each other, that we have the courage to drink this cup of bitterness and not to leave it to our successors.

Esteemed President, I think we have done good work here for the benefit of both our nations. I thank you for your efforts, for the courage and consistency you have shown, for your understanding of our Polish affairs, and for being equal to the challenge of our times.

Yeltsin Statement

LD2508112593 Warsaw TVP Television First Program Network in Polish 0850 GMT 25 Aug 93

[Statement by Russian President Boris Yeltsin after signing Polish-Russian documents in Warsaw, with passage-by-passage translation into Polish; no video available—live]

[Text] Ladies and Gentlemen: A number of documents on Russian-Polish cooperation in various fields were signed a moment ago. We are strengthening foundations for cooperation between our states and nations. We are filling our relations with trust, mutual understanding, and mutually beneficial cooperation.

There is no place in the new Russian-Polish relations for hegemonism or dictate, or for an older-younger brother mentality and politics. The principles of our relations are: respect for sovereignty, noninterference, equality and partnership, and mutually taking into account the mutual interests of both countries.

The treaty on friendly and neighborly cooperation signed by president Walesa and myself in Moscow in May last year has become a strong impulse for developing our bonds. Now, over 20 important documents set a legal base for our cooperation. What is at issue is a historic breakthrough in relations between our two Slavonic countries, and the beginning of a new chronology of events in the dialogue between Russians and Poles.

There is a great deal of work before us to consolidate everything. Quite a lot has already been done in removing a negative heritage, which brought about an atmosphere of suspicion and a lack of confidence. Basic documents have been published and the perpetrators of the Katyn tragedy have been named. Conditions are being created to commemorate the Poles who perished there.

One could say that an entire era is also coming to an end in another area. Soon the last subunit of the Russian Army will withdraw from Poland. I hope this will be a farewell of friends.

Today, during our talks, we agreed with President Walesa that the last unit will leave not on 31 December but three months earlier, that is before 1 October.

Many Russians—and, I know, Poles too—are concerned that the spiritual bonds between our nations have been weakened as cooperation mechanisms have been renewed and as our two states have moved toward a market economy. Contacts among people of culture, exchanges in literature, the press, and movies, which were so active in the past, have been reduced to the minimum. But in no other country in the world, except in Poland itself, are Polish moviemakers, artists, and creative intelligentsia, as popular as in Russia.

There has been fruitful cooperation between our two cultures over the centuries. We must not allow that dialogue to be discontinued. An agreement on cooperation in culture, science, and education has been signed today. We will make every effort to facilitate the cooperation among our artists and intellectuals.

In our talks, and in the range of documents signed, the economy has been the dominant topic. Agreements have been signed which consolidate the partner-like and mutually beneficial character of our relations. That is the content of our joint declaration and of the trade and economic agreement. This provokes no surprise. The political and economic transformations in our countries have changed the conditions of our cooperation. The economic links between our two countries, especially in the area of manufacturing cooperation, have been weakened. To date, the mechanism for the settlement of accounts has not been introduced.

Russia and Poland possess a substantial economic potential, but they are now currently being made use of in our cooperation. I believe these to be difficulties in the process of improving the economic organisms of our countries. They can be overcome. I am certain that Russia and Poland can be, and in the near future will be, important partners for each other. The policy of open regionalism, the promotion of economic cooperation at state level, the creation of suitable conditions for the cooperation of entrepreneurs—these, in our opinion, are the three basic directions for the development and the strengthening of economic cooperation between our two countries.

Today we have signed an agreement on the building of a cross-country gas-pipeline. The implementation of this project will not only give new impetus to our trade and economic cooperation but will also make the power supply of many countries on the European continent, and primarily of Poland itself, more secure.

We have agreed with the president that we will seek solutions on other things, including our mutual indebtedness. A whole range of new agreements is currently being prepared. We have agreed that we will give instructions on these matters to the appropriate ministries.

In all, I consider this visit to be a successful one. I found it easy to talk and to seek solutions with the president of Poland, Mr. Lech Walesa. This is not surprising. In principle we are seeking solutions to the same problems and our approach can be summed up in a single word: reforms—reforms which will guarantee our nations prosperity and a worthy place in our contemporary world.

Thank you, Mr. President. I thank you for your attention, ladies and gentlemen.

Yeltsin on Visit's Objectives

LD2408175993 Warsaw Radio Warszawa Network in Polish 1700 GMT 24 Aug 93

[Text] This afternoon, Russian President Boris Yeltsin arrived on an official visit to Warsaw, which is taking place at the invitation of President Lech Walesa. Shortly after his arrival he told journalists:

[Begin recording] [Yeltsin, in Russian with superimposed Polish translation] We shall conduct a review of matters connected to the Polish-Russian Treaty signed last year during President Lech Walesa's visit to Moscow. Also, we ought to work out a number of new mechanisms for our cooperation, as the old ones are not working any more in the new situation—new both for Poland and Russia.

We shall also sign eight significant agreements, including two very significant ones—an agreement on trade and an agreement on the construction of a gas pipeline from Russia, via Poland, to the West. My visit has been planned for a long time and I think that, together with President Lech Walesa, we should have a very serious talk on how to stimulate the cooperation between our friendly states further.

[Unidentified correspondent] To the question on what role Poland plays in Russia's European policy, President Yeltsin replied:

[Yeltsin] The relations with Poland are of primary significance in comparison with other countries in this part of Europe. Poland has always played a major part and, despite the fact that our relations weakened somewhat in 1991, the situation improved last year. [end recording]

Walesa Welcomes Yeltsin

LD2508090493 Warsaw PAP in English 0841 GMT 25 Aug 93

[Text] Warsaw, Aug. 25—President Lech Walesa welcomed visiting Russian President Boris Yeltsin at the Belvedere Place, his Warsaw residence, at the start of the official part of Yeltsin's visit on Wednesday morning [25 August] and invited him to hold a straightforward face to face meeting.

Commenting on the development of Polish-Russian relations since his visit to Moscow in May last year, Lech Walesa said that much more could have been done. According to him the past casts a shadow on mutual relations but at the moment both countries are partners and their relations may be a model for others.

Boris Yeltsin said that he familiarised members of the Russian delegation with political, economic and military issues discussed at a Tuesday unofficial meeting with

Walesa. He added that his Russian colleagues felt positive about. "That is why, I think, we will come to an agreement quickly," stressed Yeltsin.

After the talks in the Belvedere Palace both presidents are scheduled to sign a joint Polish-Russian declaration, a treaty on trade and economic cooperation, and agreement on constructing a transit gas pipeline from Siberia to western Poland, and other documents.

TRYBUNA Views Visit

AU2508103193 Warsaw TRYBUNA in Polish 25 Aug 93 p 5

[Article by Wieslaw S. Debski: "An Important Visit at a Bad Time"]

[Text] President Boris Yeltsin's oft-postponed visit to Poland is taking place at last. That is very important, because not much has changed in Polish-Russian relations since the Moscow summit of the Polish and Russian presidents in May 1992.

Everything indicates that the main topic of the Walesa-Yeltsin talks will be economic issues. Political issues have already been settled, at least in the form of agreements and declarations. In May 1993, the two countries signed a treaty. The Russian president handed to Poland materials from secret Russian archives, as a result of which the temperature on the subject of so-called questions of history has cooled down. Documents involving the withdrawal and transit of Russian forces were signed and are being implemented, though the question of premises for the Russian military mission in Poland still remains to be solved, a subject that does not seem fit to be discussed by the presidents.

In the political sphere, one should rather expect a certain summing-up and a making up for lost time, especially concerning the question of the Katyn massacre. For a long time now, it has been suggested that the Katyn question be finally settled by means of a unanimous declaration by both parliaments condemning the atrocity. Yeltsin's adviser Sergey Stankevich made such a suggestion during his visit to Warsaw last spring.

But the problem is that some circles in Poland insist that Russia take sole responsibility for the atrocity committed by the NKVD, and not just the historical responsibility, but legal responsibility as well. That would involve compensation for the families of victims, which the Kremlin cannot afford either financially or politically. Such an idea is also rejected by Moscow circles, who claim that the Russians were also victims of the totalitarian system.

Of current problems requiring discussion, one of the chief ones is obtaining Russian approval for Polish intentions of siding with NATO. In Moscow there is increasing talk of a cordon sanitaire around Russia.

On the other hand, concern is being whipped up in Poland about the future of the Kaliningrad Oblast and the considerable concentration of Russian forces there, as well as about general Russian foreign policy intentions vis-a-vis central and Eastern Europe.

The economic sphere contains major problems. In Polish-Russian economic relations, the balance sheet somehow refuses to balance. The two countries are still in the throes of debts dating back to Soviet times, a problem compounded by the fact that the debts are in various currencies, i.e. transfer rubles, clearing dollars, and normal hard currency. Converting these into a single currency is extremely difficult.

From the Polish angle, the debts are as follows. We owe the Russians $6.5 million, and they owe us $7.5 million. The problem is that the Russians present these debts the other way round.

Therefore the Polish Government has suggested the adoption of a so-called zero option, in other words putting the debts into one basket and setting it aside. The Russians basically agree to this, but, of course, they also want to throw into his basket all their claims for compensation for, among other things, the costs of deploying the Russian forces in Poland, the value of assets left over from CEMA [Council of Mutual Economic Assistance], and gas deliveries.

The visit is taking place at a very bad time. The Russian president has just taken the next step in a Russian war at the top, in which foreign visits have always played a very important role. That is surely the reason that he has combined his Polish visit with visits to two other countries, the Czech Republic and Slovakia.

For Poland too, the end of August is a bad time for such a visit. The parliamentary election campaign is in progress, to which President Walesa himself is a party, through his own choice. That is hardly conducive to compromises; on the contrary, one can expect a sharpening of moods. I do not wish to foretell negative things, but I think that Yeltsin's eventual handing over to Walesa of secret materials from the Russian archives will be greatly exploited for propaganda purposes. People in the Belvedere could use this as a weapon in the election campaign.

If that happens, nothing will change in Polish-Russian relations. The only thing then would be to wait until the next summit. But the problem is that when the time does to discuss this summit, both countries will be approaching their presidential elections.

Army To Determine Russian Gas Pipeline Course

LD2408203993 Warsaw PAP in English 1608 GMT 24 Aug 93

[Text] Warsaw, Aug. 24—The exact course the proposed Russia-Western Europe gas pipeline will take through Poland's territory will be subject to approval by the Polish military, according to Deputy Defence Minister Bronislaw Komorowski on Tuesday [24 August].

Komorowski said that self-sufficiency in energy was vital for Poland as far as her defence was concerned. The pipeline would give Poland the opportunity of obtaining gas from the West as well as Russia.

On Monday the government had accepted the text of the pipeline deal and was immediately criticised by the Coalition for the Republic of Poland and the Centre Alliance (PC) for dependency on Russia. The agreement is to be signed during President Yeltsin's visit to Poland on Wednesday.

Komorowski thought that the defence budget next year ought to be increased. From 1986 the defence budget has been gradually limited. In the 1990s the army has even had to reach for its financial reserves.

Komorowski revealed that there would be a more modest military presence at the anniversary of the outbreak of the Second World War in September since the public no longer needed the mass participation of the army on ceremonial occasions.

Walesa: NATO Admission Should Be Priority of West

LD2408175693 Warsaw PAP in English 1511 GMT 24 Aug 93

[Text] Warsaw, Aug. 24—The West's priority concerning the countries of Central Eastern Europe should be to include them in European structures and NATO, President Lech Walesa told Senator Richard Lugar, the leader of the republican minority in the Committee for Foreign Affairs of the U.S. Senate on Tuesday [24 August].

Walesa maintained that good business could be done in the region but there could also be chaos. The situation where there were two disciplined blocs had ended and now a few countries in the East possessed nuclear weapons.

"Poland thinks America should be militarily and economically present in Europe," declared the president.

According to Walesa's press spokesman Andrzej Drzycimski Walesa stressed that the biggest problems facing the postcommunist countries were economic ones. The point was that the West should not so much provide financial aid as cooperate in the economic transformation which had already begun.

"If we do not achieve this we will be catching arms dealers instead of substituting tractor production for arms production," Walesa added in a clear reference to the 5 poles held in New York accused of selling arms illegally to Iraq.

Drzycimski also said that Lugar had drawn attention to the progress made in Poland's reforms and that Poland was one of the first countries which ought to be accepted into NATO but that this also depended on Poland.

PSL Urges Slow Changes to Agricultural Sector

AU2508095893 Warsaw PAP in English 1737 GMT 24 Aug 93

[Text] Warsaw, Aug 24—According to chairman of the Main Council of the Polish Peasant Party (PSL) Jozef Zych, the most important question in the present electoral campaign is to concentrate on positive elements of programmes of individual groupings and to seek common plane for economic policy.

Zych warned at a press conference here that if the strongest groupings did not come to terms on an economic programme, a tragic situation could take place. In his opinion, after the elections, the most important question will be to find a solution to questions concerning the constitution, privatization, re-privatization and vetting.

PSL expert Waldemar Michna stressed that the peasant movement has taken interest in changing the agrarian structure of Polish agriculture, but in the present situation it thought that this would have to be an evolutionary and gradual process.

"If we reduced the number of farms and created 500,000-600,000 big farms on the French model, as postulated by some people, half of the 4.5 million people employed in agriculture now would increase the number of the jobless," Michna said.

He added that the PSL came out for the protection of the domestic market as Poland had a deficit in trade in foreign food and agricultural produce and that this country could not afford to import food. He said that the PSL deemed it necessary to find social consensus to the protection of the weakest and the worst-off social groups.

Waldemar Pawlak, Jozef Zych and Aleksander Luczak will top a 141-person nationwide list of the PSL candidates to the Sejm, the PSL authorities said.

PRN Stresses Nation's Duty To 'Reintegrate' Moldova

AU2408191993 Bucharest ROMPRES in English 1424 GMT 24 Aug 93

[Text] Bucharest ROMPRES, 24/8/1993—A release issued to the ROMPRES by the Party of National Reunification [PRN] shows that "the initiative and duty to reintegrate the country compulsorily rests on the Romanian state, on the Romanian nation and the authorities in Bucharest." Noting the existence of various standpoints regarding the alienated national territories, according to which the main role in the reintegration of Romania would devolve to the authorities of the Republic of Moldova and to the population in these territories, the National Party of Reintegration considers that Romania is entitled to declare and then obtain the territories stolen from it—Bessarabia, Northern Bukovina, the County of Herta and Insula Serpilor Island—in the context in which the Molotov-Ribbentrop Pact of 1939 that resulted in the alienation of these territories is considered null and void by the international community.

Consequently, the international community can only recognize Romania's right to the accomplishment of the act of reunification of its territories, in harmony with the principles established under the 1975 Helsinki Final Act.

"To admit the existence of the 'Moldovan people' and of the 'Moldovan language' would be an unforgettable mistake and would destroy the idea of the Romanian people's unity. Romania's comeback to within its legitimate frontiers is torpedoed through the agitation of various issues of inter-ethnic relations," the communique reads.

"Considering the steadily worsening economic and social situation in the Republic of Moldova," which the PRN blames on the Russian orientation of the Chisinau leadership and on the lack of constructive action on the part of the executive, the party thinks that the national reintegration, for all difficulties inherent to a beginning, can only be a factor favouring the socio-economic development, through the considerable expansion of the domestic market, the freeing of the burden of maintaining own administrative and armed structures.

As the Parliament in Chisinau did not ratify the CIS treaty, the National Party of Reintegration campaigns for a radical and operative change in Romania's stand on the Republic of Moldova, for the elaboration and enforcement of a clear and steady strategy, with the creation, to this end, of adequate institutions both inside the government and within private organizations, through which the following major issues could be coordinated and promptly solved: the securing of the sale of 50-60 percent of the Republic of Moldova's exportables to other markets than those in the former Soviet republics, the achievement of an alternative as regards electricity and fuel considering the current complete dependence on the sources in the east and the energy production in Dniester region, the quantitative and qualitative increase of farm raw material processing.

"The National Party of Reunification tries to contact all political formations in the country and in the estranged national territories in order to coordinate the strategic line as regards the relations with the Republic of Moldova, Northern Bukovina, Southern and Northern Bessarabia," reads in the end the communique signed by the PRN president Mircea Druc.

Dailies View Economic Situation, Bilingual Issue

AU2408102993 Bucharest ROMPRES in English 0852 GMT 24 Aug 93

[From the Romanian press review of 24 August]

[Excerpts] Bucharest ROMPRES, 24/8/1993—Daily DIMINEATA finds in a commentary that the parliamentary recess ends in favor of the ruling party (Social Democracy Party of Romania - PDSR) which begins the new parliamentary session with several best cards: The merciless attack against corruption; the successful handling of the recent labor conflicts with the Jiu Valley miners and the engine drivers; its assertion as a distinct political force after the national conference of 9-10 July and the mergers prior to it; and the positive signals from Strasbourg, Washington, and even New York.

CURIERUL NATIONAL goes into an analysis of the negative reactions from the Romanian National Unity Party (PUNR), the Greater Romania Party (PRM), and an influential group of the PDSR to the draft law about bilingual inscriptions in communities where ethnic minorities form at least 30 percent of the population. The paper remarks that those parties' claim to have Government Secretary General Viorel Hrebenciuc, as author of the draft, dismissed comes as a blackmail the power must not concede to, as "it would be useless to sacrifice Hrebenciuc for an alliance which is broke anyway," because a precedent once created, one never knows what to expect next from parties and persons who, "should one give them an inch, they will take an ell [45 inches]." To say nothing, the paper writes, that Hrebenciuc's dismissal would feed accusations of nationalism and political extremism and might be interpreted as a proof of the power's incapability to instate democracy.

EVENIMENTUL ZILEI thinks the government will have to resort to severe measures at high social costs for the present economic state of the country, and deems that two are the ways the government has to decide between: Either to treat wage claims by force or to accept a social pact. In this latter case the government would have to convince the masses that austerity measures are a must, and this would mean admitting that it lied to its voters when it promised them to "slow down reform engines." [passage omitted]

TINERETUL LIBER speculates on the possibility of President Ion Iliescu's having instructed Romanian negotiators to give in considerably to IMF demands, and cautions that for almost three years those who represented Romania in these negotiations have tried to fool the IMF requesting credits not so much for the reform as rather to elude it.

LIBERTATEA interprets the results of a recent Gallup poll as the expression "of the option for stability from a public too shattered with so many alarms and catastrophic predictions," saying that the poor results the Parliament scored should put it on the alert and form the starting point for more dedication and responsibility.

MERIDIAN, placed last among the newspapers, finds the polling as "mystifying," "non-scientific," and as part of the "ample intoxication plan for Romania."

Industrial Production Falls 5 Percent

AU2408192493 Bucharest ROMPRES in English 1453 GMT 24 Aug 93

[Text] Bucharest, ROMPRES, 24/8/1993—Industrial production for the first seven months of the year mounted to 6,722.4 billion lei of which 1,263.3 billion lei in July. Deliveries to domestic and foreign buyers totalled 6,536.9 billion lei of which 1,152.7 billion lei in July, the head of the National Statistical Board Alexandru Radocea told the press.

The industrial production for the year's first seven months fell by 5 percent compared with the same period of the past year while in the first six months the fall was 7.5 percent compared with the past year's first semester.

As for agriculture, by August 17, wheat and rye was harvested from 97 percent of the cultivated land, with a total production of 5.2 million tonnes. Barley and two-rowed barley crops have been completely harvested with a total production of 1.2 million tonnes.

By the end of July, livestock counted 4,006.4 thousand cattle (16.4 thousand more compared with June reports and 323.3 thousand more as compared with the year's beginning), 11,365 thousand pigs (more 233.5 and 1,512.6 thousand, respectively), 14,675.8 thousand sheep and goats (less 352.1 thousand and more 1,791.4 thousand, respectively). By July 31, the private sector held 85.3 percent of the cattle, 58.8 percent of the pigs and 89.5 percent of the sheep and goats.

Retailers' sales for the first seven month totalled 1,747.9 billion lei which is by 25.8 percent less than the results of the same period of 1992. July turnover mounted to 329.1 billion lei which is 6.9 percent less than June's and 34 percent less than July 1992 records. About 49.6 percent out of the retailers' total sales on July were carried out by the private sector compared with 46.4 percent in June while for the first seven months, the private sector accounted for 48.8 percent compared with 46.6 percent recorded in the same period of 1992.

Investments in the public sector totalled for the first semester 438 billion lei of which 26.7 percent was financed by the state budget. Trade deficit for the first seven months of 1993 rose to 654.3 million dollars as exports fell to $2,040.9 million (an 8.7 percent fall) while f.o.b. [free on board] imports fell too but only 6.3 percent, totalling $2,695.2 million, all figures compared with the same period of 1992. The July trade balance recorded a deficit worth $130.8 million, exports for hard currency mounted to $297.2 million (by 14.1 percent lower than June's and by 11.5 percent lower than last year's July) while f.o.b. imports totalled $428 million (by 27.4 percent larger than June's and by 36.5 larger than July 1992 ones).

Foreign Media Bulletin: Balkan Crisis 25 August

WA2508170993

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Bosnian Croats proclaim establishment of Croatian republic, reject EC protectorate over Mostar ... Bosnian Assembly chairman suggests body not make final decision on Bosnian peace plan at its 27 August meeting ... Croats, Muslims sign cease-fire in Mostar, but Croats stop humanitarian aid convoy bound for besieged Muslims ... Republic of Croatia urges Bosnian Croats not to impede passage of convoys.

POLITICAL

CROATS PROCLAIM BOSNIAN REPUBLIC (Mostar Radio): Bosnian Croat leaders in Bosnia announce establishment of "Croatian republic of Bosnia," suspension of mandate for Croatian officials in Bosnian Government, formation of "chamber of deputies." Croats also reject proposal to place Mostar under EC supervision, saying such a move would "represent a direct threat to the vital interests and rights of the Croatian nation in Bosnia." (LD2408182093)

BOSNIAN ASSEMBLY SHOULD NOT DECIDE ON PLAN (Sarajevo Radio): Bosnian Assembly Chairman Lazovic says body should "neither accept nor reject" Geneva peace proposal at its 27 August session but should "express certain demands" to be used in further negotiations. (AU2408165993)

HUMANITARIAN AID

CEASE-FIRE SIGNED IN MOSTAR; (Sarajevo Radio, AFP): Bosnian Croats, Muslims sign cease-fire in Mostar. AFP reports that although cease-fire is holding, Croats continue to block humanitarian aid convoy bound for besieged Muslims in city. UNPROFOR spokeswoman calls overnight airdrops by U.S. planes "great success." (LD2508080593, AU2508122593, AU2508132993)

CROATIA URGES AID BE UNIMPEDED (Zagreb Radio): Croatian Government urges Bosnian Croats not to impede humanitarian aid "regardless of which warring factions it is designated for." (LD2408185293)

HDZ To Proclaim Croatian Republic

LD2408182093 Mostar Croatian Radio Herzeg-Bosna in Serbo-Croatian 1600 GMT 24 Aug 93

[Excerpt] A session of the main committee of the Croat Democratic Union [HDZ] for Bosnia-Herzegovina was held in Livno today. The following statement for the public has been issued from the session:

At its session in Livno today, the main committee of the HDZ for Bosnia-Herzegovina viewed the situation and relations in Bosnia-Herzegovina, especially among the Croat people, following the publication of the maps on the divisions of the republics in the union of Bosnia-Herzegovina, as well as certain political decisions and initiatives whereby the rights and existence of the Croatian nation in Bosnia-Herzegovina are directly threatened. The following conclusions were adopted:

1. We resolutely condemn the institutions and individuals that, by publishing nonauthentic maps, have deliberately tried to cause concern among the Croatian people of Bosnia-Herzegovina and provoke internal clashes among Croats in an attempt to weaken the unity of the Croatian nation in the defense of their existence and their historical and ethnic areas.

2. The authorized political bodies elected by the Croatian nation in Bosnia-Herzegovina and the bodies of temporary legislative and executive authority will have the final say in the decision on the package of the offered peace plan, including the maps, and on the entirety of the constitutional and territorial set-up of the union of republics of Bosnia-Herzegovina at a time and venue and according to procedures which will guarantee full participation of all representatives of the Croatian nation in Bosnia-Herzegovina and the protection of the dignity and rights of the Croats in Bosnia-Herzegovina.

3. We demand that the relevant UN bodies in Bosnia-Herzegovina provide timely and safe departure and return to all officials of the Croatian nation in Bosnia-Herzegovina who should take part in the work of representative bodies of the Croatian nation in Bosnia-Herzegovina in order to pass a decision on the proposed peace plan. Failing this, it will be impossible to honor the deadline within which the Croatian nation should announce its stand on the proposal offered by the cochairmen, and the Croatian nation in Bosnia-Herzegovina will not be responsible for that.

4. In order to clarify uncertainties and remove the causes of concern among the Croatian nation in Bosnia-Herzegovina, Mate Boban, chairman of the HDZ of Bosnia-Herzegovina and president of the Croatian community of Herceg-Bosna, will take part in a special television program at 2100 tonight to reveal details of the proposed peace plan and answer viewers' questions.

The main committee of the HDZ of Bosnia-Herzegovina discussed the general mobilization proclaimed by the so-called Bosnia-Herzegovina Presidency, and concluded that this decision is illegal and illegitimate, and that representatives of the Croatian nation in Bosnia-Herzegovina were not consulted about it. This decision, adopted by the self-proclaimed President of the Bosnia-Herzegovina Presidency, Alija Izetbegovic, is not binding on the Bosnia- Herzegovina Croats. This is an act of war which undermines the peace efforts and threatens all citizens of Bosnia-Herzegovina who do not want to fire on their own people in the name of a unitary Bosnia-Herzegovina.

The main committee of the HDZ of Bosnia-Herzegovina is of the opinion that various initiatives intensifed over the last few days and aiming at granting the city of Mostar a special status or placing it under UN or EC supervision represent a direct threat to the vital interests and rights of the Croatian nation in Bosnia-Herzegovina. The Croatian nation in Bosnia-Herzegovina cannot agree to this. The main committee of the HDZ calls on all international factors to refrain from solutions that encourage anti-Croat and other interests detrimental to the Croats in Bosnia-Herzegovina.

In line with conclusions and stands adopted at today's session, the main committee of the HDZ of Bosnia-Herzegovina, as the highest body representing the political will of the Croatian nation in Bosnia-Herzegovina, and on the basis of the fact that the representatives of the three constituent nations in Bosnia-Herzegovina accepted the constitutional agreement on the union of republics of Bosnia-Herzegovina in Geneva, has passed the following decisions:

1. On the suspension of the mandate of all Croats in the official bodies of the former republic of Bosnia-Herzegovina. The decision comes into effect immediately.

2. On the proclamation of the Croat republic of Herceg-Bosna in the union of republics of Bosnia-Herzegovina.

3. On the formation of a chamber of deputies of the assembly of the Croat republic of Herzeg-Bosna by the presidency of the Croatian community of Herceg-Bosna and the democratically elected deputies in the chamber of municipalities of the former assembly of Bosnia-Herzegovina. [passage omitted]

Boban on Croatian Republic

LD2408231493 Zagreb HTV Television in Serbo-Croatian 1900 GMT 24 Aug 93

[From the "U Krupnom Planu" (Close-up) program]

[Excerpts] [Announcer] Good evening, dear viewers. The chaos of war in Bosnia-Herzegovina is the most topical issue of the day. What is the future of the state of Bosnia-Herzegovina and will Geneva end the war? And, the most important question: What is the future of the Croatian nation in Bosnia-Herzegovina? We could in fact say that Herzegovina, Bosnia-Herzegovina has reached a boiling point over the maps. We came with our program to ask Mr. Mate Boban, who will, I believe, openly answer all pleasant and unpleasant questions which will be asked by citizens, the Croats of Herzegovina, of Bosnia-Herzegovina and I also have my own questions.

Good evening, Mr. Boban, to you and your colleagues.

[Boban] Good evening.

[Announcer] I hope that you are ready, even in these difficult times of war, to answer all questions, either mine or asked by the viewers of Croatian television.

[Boban] There is no question which cannot be asked or a question which I will not answer. Whether you, or the person asking the question, are satisfied with the answer is their own problem. I will just say the truth.

[Announcer] Mr. Boban, let us go quickly through a dozen questions and answers. First of all, have the Croats in Bosnia-Herzegovina lost or won the war?

[Boban] No one can either lose or win the war in Bosnia-Herzegovina, but the Croats in Bosnia-Herzegovina have won the war of defense because they were attacked by the Serbian aggressor, and then by the Muslim aggressor. The Croats in Herzegovina have gained through this war of defense their right to themselves [as received] after 50 years of the previous system. They have also gained the right to [word indistinct] and the right to a Bosnia-Herzegovina as their state as well, because they had not had it before. They have gained the right to themselves in that state. They can absolutely, in every form manage and distribute all spiritual and material resources and their products of those resources. They can create and develop their lives, their nation and make Bosnia-Herzegovina a better place, especially the part of it in which they live.

[Announcer] Mr. Boban, the main committee of the Croatian Democratic Union [HDZ] of Bosnia-Herzegovina today adopted certain important decisions, including the one on the creation of the Croat republic of Bosnia-Herzegovina in the union of states of Bosnia-Herzegovina, the union of Bosnia-Herzegovina. I cannot help noting that, considering the maps published recently and considering reactions from people from Bosnia-Herzegovina, that the Croat republic is becoming increasingly smaller. I have here many letters which have been arriving this evening into our studio, addressed to you, from Siroki Brijeg, Vares, and Posavina where people fear that they will lose their centuries-old Croat homes, in other words the Croatian areas in Bosnia-Herzegovina. What in fact happened? Have the Croats made the most concessions concerning the maps?

[Boban] The main committee of the HDZ of Bosnia-Herzegovina, the political party to which the Croatian nation gave absolute, 100 percent confidence in the first democratic postwar [World War II] elections that it could create its political will, that it could lead it on the path to freedom, sovereignty and all the relevant factors which define a nation; the main committee of the HDZ adopted a decision on the proclamation of the Croat republic of Herceg-Bosna in the context of the already agreed and recognized right of every nation to its own state in Bosnia-Herzegovina as a union, an alliance of the republics of Bosnia-Herzegovina, of an integral state of Bosnia-Herzegovina.

[Announcer] And what can you say about the fact that some Croatian areas in Bosnia-Herzegovina are simply not on the maps about which I have spoken?

[Boban] There are very many Croatian areas which will never be in the Croatian state or in the Croat republic of Herceg-Bosna. The Croatian nation will—through political and international peace negotiations in line with the intentions of those who jointly define our rights in Bosnia-Herzegovina—certainly win as much as the Muslims or Serbs. In the same way, the Croats will be dissatisfied to the same extent as the Muslims and Serbs, no more and no less. [passage omitted]

[Announcer] Mr. Boban, you forgot to answer the equally important question of how much Mate Boban obeys Franjo Tudjman, president of the Croatian state.

[Boban] Franjo Tudjman is the president of all Croats in the world, and consequently the president of the Croats in Bosnia-Herzegovina. The policy of the HDZ, whose chairman he is, is the policy which I and my colleagues implement to the tiniest detail in our work in the territory of Bosnia-Herzegovina. I obey him in as much as I obey the policy and programme of the HDZ whose chairman he is. And I also respect him and accept all his (?rational decisions) in his capacity as president of all Croats in the world.

[Announcer] There have been no conflicts or arguments?

[Boban] I do not know how to argue. [passage omitted]

[Announcer] A viewer from Zagreb is asking you a question in the form of a statement: Karadzic will consult his assembly, Izetbegovic the remnants of the Bosnia-Herzegovina parliament. Who will Mr. Boban consult?

[Boban] The viewer does not know that the Croatian people in Bosnia-Herzegovina have their legislative body which is called the presidency of the Croat community of Herzeg-Bosna, and that its members have for two years been representatives from all Croat areas, all municipalities. The main committee of the HDZ of Bosnia-Herzegovina today adopted a decision for the presidency—which would be reinforced by deputies from the chamber of municipalities legally elected at the first democratic elections—to be constituted as a temporary chamber of deputies of the assembly of the Croat republic of Herceg-Bosna.

The presidency will hold permanent consultative meetings with other political bodies from Thursday to Friday night. On Saturday they will have a plenary session at which all representatives of all areas and all Croats will see, hear, know and decide for themselves whether to accept the maps in an independent way, as always before. [passage omitted]

Karadzic Predicts Recognition for Serbian State

AU2408152693 Belgrade POLITIKA in Serbo-Croatian 23 Aug 93 pp 1, 11

[Interview with the leader of the Bosnian Serbs, Radovan Karadzic, by Nikola Trklja; place and date not given: "An Acceptable Division"]

[Text] *After long and exhausting negotiations in Geneva, the representatives of the three warring sides in the Bosnia-Herzegovina war have finally reached an agreement. The peace package consists of several parts: the constitutional establishment of the union of Bosnia-Herzegovina republics, the military agreement, the preliminary agreement on transit trade between Croatia and the union of Bosnia-Herzegovina, and the maps depicting the territorial division of the former Yugoslav republic.*

The maps and the territorial demarcation of the three republics was the toughest part of the negotiations in Geneva, and, once they were accepted, they elicited the most interest in the public.

That is why Mr. Radovan Karadzic, president of the Srpska republic, at the request of POLITIKA, agreed to give an interview to our paper, in which he explains the basic details of the agreement and the territorial demarcation.

Historical Rights in the Valley of the Neretva River

[Trklja] Have the Serbs definitively lost the possibility of gaining an outlet to the sea, and how was the issue of Herzegovina solved?

[Karadzic] The Serbian side has historical rights in the Neretva valley. We shall continue insisting on these. The criterion of the majority population was applied in Geneva this time, rather than geographical, historical, or any other criteria. In keeping with this agreement the Croats got the town of Stolac, in which prior to the war they formed the majority. The Serbian side got Popovo Polje without so much as a struggle, that is, the Serbs now possess the territory stretching to the former border with Croatia. Moreover, there is still a chance of us getting an outlet to the sea, but I cannot discuss this in detail at the moment.

[Trklja] How was the issue of the Srpska republic's western borders solved?

[Karadzic] The Muslims demanded that they extend across the Una River. They demanded parts of the Prijedor, Kljuc, Sanski Most municipalities. Data from the latest census provided them with certain arguments for such demands. However, we reminded them that prior to the genocide, this area had a population of more than 70 percent Serbs. The Muslim side did not deny that genocide had been committed, but they claimed that they were not the ones to have committed it, that it had been perpetrated by someone else.

[Trklja] Posavina was another controversial issue?

[Karadzic] Posavina is comprised of seven towns in province No. 3 (according to the Vance-Owen plan). Out of these seven towns, the Serbs got four and a half. Samac, Derventa, a part of [Bosanski] Brod (the town itself), a part of Modrica and Brcko will be in the Srpska republic. In addition to Orasje, the Croats will get parts of the Brod and Modrica municipalities, so that they will be able to form their Odjak municipality. We compromised on the issue of Brcko. The eastern part belongs entirely to the Serbian side. The Muslims will get an outlet to the Sava River, but what is more important is that corridors will go through our territory. Which means that the territory belongs to the Serbs, and the Muslims have corridors.

The Problem of Mt. Ozren

[Trklja] Just like the other two sides, the Serbian side has also made some concessions with the goal of reaching a final agreement. What will happen to Kupres and Mt. Ozren?

[Karadzic] We made some concessions around Kupres and around Donji Vakuf in order to gain some territories in Posavina. We will go to Kupres and Mt. Ozren before the assembly and talk to the people there. We have some ideas as to how to solve these issues, but if the people reject them, that is if they refuse to accept such a solution, then we will not be able to agree to this. We cannot hold 64 percent of the territory. We could, in fact, hold on to it for another 30 years, but that would mean another 30 years of war. No one would recognize these territories, or our state, just like the Muslim part of Cyprus. In any case, this is not in the interest of our people.

As far as Mt. Ozren is concerned, the problem is that there is no single town with a Serbian majority in the vicinity on whose territory Mt. Ozren could lean on. The criterion of the majority population in towns has been applied and hence this solution. However, we have another variant, which we will propose to the people there, and if they accept it, then we will implement it.

[Trklja] Gorazde is now accessible?

[Karadzic] We have offered the Muslim side a free corridor to Gorazde, over parts of the Trnovo territory. This is Serbian territory and I do not anticipate any problems here. This issue will be definitely solved within the next two years in the process of finding a solution to Sarajevo. In any variant, the extremely important communication between Sarajevo and Herzegovina will in no way be threatened.

[Trklja] How do you assess the Muslim side's behavior at the negotiations?

[Karadzic] The Muslim side had problems, just like the other two sides. Their ambitions were exaggerated, they demanded as much as 44 percent of the territory, but in the end they accepted reality. The same goes for the Croats, who, according to the Vance-Owen plan, would have had 29 percent of the territory, while now they have 16 percent. No side could get the maximum of what it desired.

[Trklja] Nevertheless, it was the Muslim representatives who kept stalling agreement, and judging by the first reactions, even now they are not satisfied with the agreement?

[Karadzic] Just before the very end, the Muslims came up with five conditions without which they were not willing to accept the agreement. These involved certain alterations to the maps around Brcko, in central Bosnia, and in the Neretva River valley. After these concessions, they did not reject the agreement, but they were dissatisfied.

[Trklja] What were presidents Milosevic, Bulatovic, and Tudjman's contributions to the successful completion of the peace negotiations in Geneva?

[Karadzic] There can be no doubt that their contributions were great. The Muslim side is aware that Yugoslavia and Croatia are a guarantee for the survival of any variant of Bosnia-Herzegovina. Slobodan Milosevic's substantial experience as a statesman significantly helped when it came to forming wholes—in the political and economic sense—instead of establishing lifeless cliques and pockets in certain areas.

[Trklja] If the three sides finally put their signature to the peace package, what does that mean for the Srpska republic in practice?

[Karadzic] The Srpska republic will have more rights than any of the former Yugoslav republics. It will have internationally verified state borders. For the first time in these areas, the Serbian national entity will have an international and legal status. The adjective "so-called" will no longer precede the name Srpska republic. Since the time of Kosovo [the Battle of Kosovo, 1389], the Serbian people in these areas have never had such a state, or any legal or international status. This heralds the fact that the Serbian issue in these areas is finally being solved.

[Trklja] It turns out that the Srpska republic is the first Serbian state which—in this latest ratio of power—is going to be internationally recognized?

[Karadzic] No. I would not view the situation in that light. I would never identify with parts of the Serbian people. We need to identify with Serbian interests as a whole and not only in parts.

[Trklja] Was there talk in Geneva of lifting the sanctions against Yugoslavia, and is this connected to the establishment of peace in the former Bosnia-Herzegovina?

[Karadzic] During the negotiations this question was constantly hanging in the air. Some diplomatic messages contained hints anticipating the lifting of the sanctions. We asked this question at the negotiating table and we referred to the statements of some statesmen—like Mitterand for example—who said that if peace were established, the sanctions should be lifted. I believe that some countries in the world will no longer have the cheek to go on supporting the sanctions after an agreement has been reached in Geneva.

Will 'Fight For' Plan

AU2408194693 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 24 Aug 93

[Text] Radovan Karadzic, president of the republic of Srpska, today in Pale received a Greek Orthodox Church decoration, the Knight Order of the First Rank of St. Dionysus of Zante. This 900-year-old decoration was presented to the leader of the Bosnian Serbs for his contribution to the peace in the world. After this ceremony, Radovan Karadzic held a news conference. Here is a report by Marica Lalovic:

[Begin Lalovic recording] Dr. Karadzic reiterated today that the peace plan is a painful compromise but that he will fight for it, which means that he will fight for peace. He did not want to prejudge the assembly decision, but said he expected the deputies to accept the peace documents.

The Muslim side is being pushed into war by some of its Western allies, but the Muslims have gained much more at the negotiating table than in the war. In reply to a journalist's question of what will happen if the Muslims reject the peace plan, as everything says that they will, Dr. Karadzic said that in Geneva the Serbian side accepted the last five conditions set by Alija Izetbegovic and that no more concessions will be made, that is, that in this case the Serbian side will withdraw the concessions it has granted to the Muslims.

As regards Sarajevo itself, the president of the republic of Srpska said that the Serbs are not going to give up their part of Sarajevo and that a solution acceptable to both sides will be found in the coming two years. It is better for Sarajevo to become a Nicosia than a Beirut, he said.

During the two years while Sarajevo is under UN patronage, one will be able to talk about the possible changes in and exchange of territories, if, of course, the Muslim side is ready to accept a compact territory, that is, to exchange their enclaves on the territory of the republic of Srpska for some territories in other areas that are under the control of the Serbian army and the Serbian civilian authorities.

Dr. Karadzic said that Sarajevo will again have 200,000 Serbs as it did before the war and that the Serbian side is already ready to turn to economic matters. In reply to a journalists' question about Warren Christopher's letter to Alija Izetbegovic, Karadzic said the following: We hope that the Americans will help the Serbian side in its future development just as they will help the Muslims, that is, the Muslim republic, and that there will be no discrimination there. [end recording]

Confident of Plan's Approval

LD2508041793 Belgrade TANJUG in English 2352 GMT 24 Aug 93

["Pool" item]

[Text] Pale, Aug 24 (TANJUG)—Bosnian Serb leader Radovan Karadzic said on Tuesday night he was confident that the Bosnian Serb parliament, when it met on Friday [27 August], would unconditionally approve the Geneva plan for restructuring Bosnia-Herzegovina as a union of three ethnic mini-states and a demarcation between Bosnia's warring Moslems, Serbs and Croats.

Bosnia's three ethnic parliaments should pronounce themselves on the plan by August 30, when the ethnic leaders are scheduled to reconvene in Geneva.

Speaking at a press conference in Pale prior to the decisive session of parliament, Karadzic, the president of the Bosnian Serb republic, said that the Serb negotiating team from the Geneva talks would urge the deputies to approve the latest package.

It is difficult to explain to the Serbs, who own 64 percent of the land in Bosnia and control 72 percent, why they should be asked to let go so much, said Karadzic and explained he was sure this was a favourable compromise whose acceptance he would personally urge.

Under the plan, the Bosnian Serbs are getting 54 percent of the territory of Bosnia-Herzegovina, the Moslems, 30 percent, and the Croats, 16 percent.

He said the talks were over and there could be no further demands. Izetbegovic has made difficult demands during the talks, five of them at the last moment, which the Serbs and Croats have met because they were told there would be no solution and no peace otherwise, Karadzic explained.

If the plan is signed, it will be implemented, although this is the first time in history that an army which controls 72 percent of a territory should surrender one-third of it to the enemy, he said.

"If the Moslems try to make fresh demands and continue the war, we shall take back all concessions. We have all the conditions necessary to make peace with the Croats, and if the Moslems also want peace, they should accept the plan, because they shall get more at the conference table," said Karadzic.

Asked what reaction was to be expected from the international community if the Moslem parliament rejected the plan, Karadzic said that the world would stop its support, which has been made clear to them. The Moslems must realise that the international community, with the exception of a handful of countries, wants lasting and honourable peace, he said and as the exceptions mentioned austria and Germany which were encouraging the Moslems to reject the plan and to war on.

Karadzic answered in the affirmative when asked if Kupres in central Bosnia and some other cmncessions had been traded off to Croatia in exchange for the Prevlaka peninsula on the Adriatic coast. "Prevlaka and the question of the Serbs' access to the Adriatic Sea are not questions at issue in this Geneva package, but the Serbs will soon discuss them with the Croats," he said.

Asked about the Serbs' attitude to the future of Sarajevo after the expiry of the United Nations' two-year protectorate of the city, Karadzic said the Serbs would not be the losers. "Sarajevo will be a union of municipalities, just as Bosnia-Herzegovina will be a union of republics," he explained.

He added that the Serbs might possibly trade property around Sarajevo for land in eastern Bosnia, but that this was up to the citizens of Sarajevo, primarily the Moslems.

Bosnian Serb Vice-President Nikola Koljevic, who attended the press conference, said that the Moslem enclaves of Srebrenica, Zepa and Gorazde need not be exchanged for Sarajevo, but that this would be a practical solution in the interest of compactness of territories.

Serbs To Decide 27 Aug

LD2408180593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1642 GMT 24 Aug 93

[Text] Pale, 24 Aug (TANJUG)—Momcilo Krajisnik, the president of the assembly of the republic of Srpska, confirmed to TANJUG's reporter today that a session of the republic of Srpska parliament would be held on Friday, 27 August, at which deputies should vote on the new Geneva peace plan. According to Krajisnik, the session, which is to be held in Pale, is scheduled to begin at 1000.

Krajisnik said that he would personally advocate the acceptance on the plan based on the creation of a union of three republics with a proposal of territorial division between the Serbs, Muslims and Croats, as it was adopted in Geneva.

The clubs of deputies of the republic of Srpska will be in session on Thursday on the eve of the session.

Chairman: Assembly Should Not Make Final Decision

AU2408165993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 24 Aug 93

[Interview with Miro Lazovic, chairman of the Assembly of Bosnia-Herzegovina, by Mirhad Kulender; place and date not given—recorded]

[Excerpts] As is known, the session of the Assembly of Bosnia-Herzegovina will be held in Sarajevo on Friday, 27 August. The deputies will discuss the future of Bosnia-Herzegovina and the stand of our state prior to the continuation of the Geneva talks on 30 August. Our correspondent Mirhad Kulender spoke to Miro Lazovic, chairman of the Assembly of Bosnia-Herzegovina, about these topics.

[Kulender] Mr. Lazovic, [words indistinct] the document offered by cochairmen Owen and Stoltenberg, and what is your view as chairman of the Assembly of Bosnia-Herzegovina on the results of the recent peace negotiations in Geneva?

[Lazovic] I must say that I am (?not) satisfied with this (?round) of negotiations, especially because the proposals that went to Geneva were not treated equally. It is known that we went there with the principle according to which the future setup of Bosnia-Herzegovina should be based on the federal principle. We made certain concessions during the negotiations because we agreed to discuss three future republics. However, our delegation did not try hard enough to obtain concessions from the others. In my opinion, these concessions should have amounted to relations among these future republics founded on the federal principle.

I must say that I am also quite disappointed with the presentation of that document because I realized that this had in a way been an illusion in our political engagement during the drafting of the document because the document was discussed (?only formally) and was simply not treated sufficiently. The agreement that was accepted in principle [words indistinct] in Sarajevo to some extent follows the proposals made by others, namely that the future Republic of Bosnia-Herzegovina will be founded on certain confederal principles, principles that need to be fully explained. (?In my view), we should continue to search for a clear (?explanation) of these principles in order to remove certain [word indistinct] that there are many factors that are not benefiting the Bosnia-Herzegovina side, those political forces, those people who are advocating the survival of Bosnia-Herzegovina as a single country. [passage omitted]

[Kulender] The session of the Assembly of Bosnia-Herzegovina is scheduled to take place in Sarajevo on Friday, 27 August. As announced, the assembly will hold an expanded session. In other words, in addition to the deputies, the assembly session will also be attended by representatives of the public, cultural, political, and religious life of Bosnia-Herzegovina. They will discuss the future of our state and the stand of Bosnia-Herzegovina prior to the continuation of the Geneva talks on 30 August.

[Lazovic] The assembly is holding an expanded session to (?openly) express its political views on the agreement that we brought from the Geneva talks. I think that this session should not make any final decisions, that it should neither accept nor reject this agreement but express certain demands with which we should go to Geneva and try improve this document. I think that a number of prominent people, who could in any case be useful, will make many good suggestions that could contribute toward the improvement of this agreement.

One should not expect historic decisions from this session because the negotiations are continuing, although a picture is being created that after we return to Geneva [words indistinct] I think that at this session we should express certain demands and try to improve the agreement.

Silajdzic Explains Objections to Peace Proposal

AU2408152093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 24 Aug 93

[Report by Senada Cumurovic on news conference by Foreign Minister Haris Silajdzic in Sarajevo on 24 August]

[Text] The introductory statement presented by Dr. Silajdzic and most correspondents' questions naturally referred to the Geneva agreement. The agreement requires alterations if it is to be accepted. This was stated by the foreign minister of our country, although he did not mention what concessions our delegation will demand in the continuation of the negotiations.

Here is how he explained his objections to the latest map of the union of three republics and the agreement:

[Begin Silajdzic recording in English fading into a Serbo-Croatian summary of his comments] A mere look at the map shows that the future Bosnian Republic does not represent a republic that is economically and geographically viable. Therefore, Silajdzic thinks that the map and the agreement from Geneva are not tenable. He said that some towns, such as [name indistinct] Foca, Visegrad, Zvornik, and others, are the towns from which hundreds of thousands of citizens were expelled and tens of thousands killed. The problem is that, according to the Geneva proposal, these ethnically cleansed towns belong to those who have carried out ethnic cleansing. The aggressor and genocide have been rewarded and victims punished, Silajdzic said.

In response to a correspondent's question, Dr. Silajdzic explained the reasons why the union is untenable. He questioned the ability of the union of three republics to represent a serious partner in the spheres of trade, economy, and finances. He also wondered whether the union will be able to be a serious political partner. Finally, he wondered what the special guarantees were for the Geneva agreement to be respected.

Since peace and human lives are, after all, the overriding factor, this will make us accept the agreement. This was stated by Haris Silajdzic at the news conference today.

Ganic Views Geneva Negotiations, Croatia's Policy

AU2508101793 Vienna KURIER in German 25 Aug 93 p 5

["Exclusive" interview with Bosnian Vice President Ejup Ganic by Theo Fruendt in Sarajevo; date not given: "This Is the Holocaust of the 21st Century"]

[Text] [Fruendt] Has Bosnia's delegation to the Geneva negotiations given up?

[Ganic] One has to be very careful when one negotiates on the life and property of other people, particularly in Bosnia. It is good that our delegation is in Geneva, otherwise we would be accused of being uncooperative. But I do not believe in a solution of three republics. Europe wants an Islamic state. It forces the Muslims into a small region, which makes them more radical. It is not possible to rape and rob people and to put them afterward in a ministate. We are Europeans, civilized people.

[Fruendt] But it seems that the Bosnian delegation will give its signature?

[Ganic] Europe is carrying out treatment for a patient who is hundreds of kilometers away. This is impossible. Many of our soldiers have died for Bosnia. In our army there are Muslims, Serbs, and Croats, the majority are Muslims, but the program is Bosnian. I am looking for a solution that would bring peace, so that the children who are now 14 years old do not have to go to war in three years.

[Fruendt] What will you do if the peace plan is signed in Geneva?

[Ganic] Whatever is decided in Geneva will be implemented. Then we will have to explain to 56 percent of the people that they are not permitted to go back to their houses. Do you know what tensions will be created if a country is divided in three ethnic states? One cannot sell the future of a country in one year.

[Fruendt] Is Europe sincere?

[Ganic] No, it is trying to blackmail us with food supplies and other things. We have to manage our catastrophe ourselves. They cannot kill all of us. Europe actually consists of only three states: Great Britain, France, and Germany.

[Fruendt] Do you trust the Americans?

[Ganic] The Americans have proven that the Europeans cannot do anything. It will be good if someday Europe changes its attitude a little and says: "We do not want temporary, but permanent peace!" I hope that somebody will say this sometime. If the Muslims are crammed into a small territory, tomorrow they will all be killed.

[Fruendt] How do you assess Croatia's policy?

[Ganic] We could win the war if we had least 20 km of free access to the coast. [Croatian President] Tudjman has prevented all this. The basic problem with Tudjman is: He is stupid and he is a nationalist. He is destroying his own country. He wants to be like [Serbian President] Milosevic. Milosevic tells him: "Look, Franjo, let us divide Bosnia between ourselves. Then you will not have problems with my Serbs in Croatia." When the two have divided Bosnia, Milosevic will say: "You know, Franjo, the Serbs in Croatia do not listen to me. You must cope with them yourself." In general, the Croats have the feeling that their policy in Bosnia is wrong.

[Fruendt] Can Bosnia survive the next winter?

[Ganic] Many will die. Even now, 20 to 25 people die every day. They do not get nourishing food, they get infections, become weaker and weaker, and die. This is the holocaust of the 21st century, and it is controlled by Europe and the United Nations.

Muslim Leadership Said Leading to 'Disaster'

LD2408204093 Mostar Croatian Radio Herceg-Bosna Serbo-Croatian 1600 GMT 24 Aug 93

[Commentary by Ivan Kristic]

[Text] The so-called Presidency of Bosnia-Herzegovina, in fact its Muslim part, acting as the commander of the Armed Forces, has ordered a general mobilization. What does this mean and what are the possible implications? Ivan Kristic explains:

[Kristic] The Muslim political leadership continues to conduct a senseless, hazardous policy hoping in vain that the number of casualties will be proportionate to the sympathy felt by the international factors and that it will have impact on them reaching a decision on military intervention.

These politically blind people fail to realize that politics is not based on feelings but on interests. According to the logic of politics, the world powers have no interest in launching a military intervention on behalf of the Muslims and in helping them to create an Islamic state at the southeast of Europe, practically in their backyard.

After the last session of the Geneva conference, it is clear even to casual observers that it would have been wiser and more practical to have accepted the proposal by Portuguese diplomat Cutilheiro [mediator of Bosnian talks in 1991] on the cantonization of Bosnia-Herzegovina than to hesitate, prolong the war, and amass hundreds of thousands of dead, almost a million of displaced persons, destroyed towns, and ruined economy, while adhering to a senseless and unrealistic desire to maintain Bosnia-Herzegovina as a unitary state, dominated by the Muslims.

Reports from Sarajevo by objective foreign journalists who have observed total disappointment among the misled and manipulated population, abandoned in their suffering, testify to the vast rift that exists between the blindness of the Muslim political leaders and the people they are leading into a catastrophe.

The Muslim media, controlled in an Orwellian fashion, continue to promote empty slogans on continued fighting to victory, which practically means further suffering for the people and avoidance of admitting the political inability of the leaders, their bad assessments, and catastrophic moves.

When a glimpse of hope appeared at Geneva that an end to the war and achieving peace is in sight—a peace that gives Croatian territory to the Muslims in compensation for what has been taken by the Serbian aggression—the Muslim leaders opt for the continuation of the war, hoping that the Croats will remain naive and will continue to cede their territory. However, the Croats have learned their lesson, they have lost all their illusions about natural allies and have taken a resolute stand in defense of the sacred Croatian soil.

The consequences of the Muslim leadership's senseless and doomed policy could be even more catastrophic than they have been so far unless they opt for the agreement to achieve a just peace and unless they stop advocating war and prolonging it, thus heading for a total disaster.

Military, Aid Situation in Mostar Reported

Army Agrees to Cease-Fire

LD2508080593 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0600 GMT 25 Aug 93

[Text] The command of the 4th Corps of the Bosnia-Herzegovina Army issued a communique in Mostar last night. It states:

With the mediation of the command of the Spanish battalion in Medjugorje, the command of the 4th Corps of the Bosnia-Herzegovina Army and the Croatian Defense Council [HVO] agreed to a proposal that a cease-fire between the warring factions in Mostar be established, starting 1930 on 24 August.

According to the agreement, the cease-fire has no time limit and includes the cessation of all movement by the warring factions from the moment of the start of the cease-fire.

According to the agreement, both sides agreed to the deployment of UN military observers in Mostar at 0630 today [passage indistinct] from where they are to oversee the observance of the cease-fire agreement. At 1400 today, with the mediation of representatives of the Spanish UNPROFOR [UN Protection Forces] battalion, Colonel Morales, commander of UNPROFOR civil affairs Cedric Thornberry, and representatives of the UNHCR in Mostar [name indistinct], an exchange of bodies of dead soldiers from both sides will take place. According to the agreement, the command of the 4th Corps will hand over nine bodies of dead fighters of the Croatian Army, while the HVO will hand over 15 bodies of dead soldiers of the Bosnia-Herzegovina Army.

Simultaneously with the exchange of bodies of the dead soldiers, a 19-truck convoy carrying 200 tonnes of foodstuffs will enter Mostar.

Correct and professional implementation of the agreement will be guaranteed by mediators Morales, Thornberry and [name indistinct].

Among other things, the command of the 4th Corps of the Bosnia-Herzegovina Army demands that together with UNPROFOR members, representatives of the International Red Cross enter the eastern part of Mostar today, and that their mission be permanently placed in this part of the town.

A promise has been made that EC monitors and representatives of the United Nations will mediate for this demand to be met. According to the agreement, military observers of the United Nations will remain in Mostar for an unspecified period, and if they conclude that the agreed cease-fire is being observed they will propose to the command of the Spanish UNPROFOR battalion to redeploy its troops in the western and eastern parts of Mostar.

As the promised 200 tonnes of food is sufficient only for seven to eight days, because of the huge number of refugees, the UNHCR representatives promise that they will organize a new humanitarian aid convoy, without any conditions, for the encircled eastern part of Mostar within seven days, states the communique by the command of the 4th Corps of the Bosnia-Herzegovina Army.

Convoy Held Up Again

AU2508122593 Paris AFP in English 1155 GMT 25 Aug 93

[Text] Zagreb, Aug 25 (AFP)—A relief convoy carrying desperately needed food and medicine to the beleaguered Bosnian city of Mostar was held up in the nearby town of Medjugorje Wednesday [25 August] waiting for Bosnian Croat forces to allow it to proceed, a UN official here said.

Alemka Lisinski, a spokeswoman for the UN Protection Force (UNPROFOR), said the 27-truck convoy, which left Croatia early Wednesday, reached Medjugorje by midday and was waiting for the green light to continue on to Mostar.

She said UN observers had been able to enter the beleaguered city at dawn Wednesday in order to supervise a ceasefire agreement signed the day before by Bosnian Croat forces and the mainly Muslim Bosnian Army.

By midday the ceasefire appeared to be holding, the UN said.

Zagreb television reported that Cedric Thornberry, the UNPROFOR's top civilian officer, was negotiating with Bosnian Croat forces and Croatian Foreign Minister Mate Granic so that the convoy could deliver its cargo of 275 tonnes of food and medicine.

UN officials in Geneva said 19 of the trucks are destined to the Muslim sector of the city, where 55,000 people are said to be on the brink of starvation, and the remaining trucks are for the Croat sector.

On Tuesday the 19 trucks destined to the Muslim sector had attempted to reach the city but were blocked by Bosnian Croat forces some 20 kilometres (12 miles) away, UN officials said.

The city that day had also been the scene of heavy fighting between the two warring factions.

Observers Enter City

LD2508115393 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 25 Aug 93

[Excerpts] The command of the UNPROFOR [UN Protection Forces] battalion in Medjugorje has announced that early this morning UN military observers entered Mostar to oversee a cease-fire agreed in Medjugorje yesterday. [passage omitted]

The UNHCR convoy that left Metkovic for Mostar earlier today has reached Medjugorje, the Zagreb office of the UNHCR has announced. [passage omitted]

'Surreal Silence' in City

LD2508082493 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 25 Aug 93

[Report by correspondent Zdenko Vranjes from Mostar]

[Excerpt] An almost surreal silence descended on Mostar this morning. The peaceful morning seems strange following the incessant deafening thunder of artillery that reverberated throughout the town until late last night. [passage omitted]

Croats Capture Military Base

LD2408231193 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 24 Aug 93

[Excerpts] Artillery and mortar shell explosions are still reverberating throughout Mostar. [passage omitted] According to a statement issued by the Croatian Defense Council [HVO] main headquarters, the HVO forces captured the dam of the Mostar hydroelectric power plant, the village of Rastani, and the the Tihomir Misic barracks held by Muslim soldiers over the last few months. [passage omitted]

'Dead, Wounded' in Streets

AU2408185193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 24 Aug 93

[Report by Senad Kamenica from Mostar]

[Text] Mostar is today experiencing real hell. There are dozens of dead and wounded civilians in the streets, five of them are children. The artillery barrage started at exactly 0545 from which the entire town reverberated. Mostar is still engulfed in a thick cloud of smoke and dust that is suffocating the residents. At the time of my reporting, the barrage of heavy artillery and infantry attacks by the extreme faction of the Croatian Defense Council and mercenary units of the Croatian Army from [name indistinct] Sisak, Osijek, and Zagreb have slightly subsided. There is hardly anyone in the streets of Mostar.

The heaviest onslaught was carried out on Razdane, a Mostar suburb where the hydroelectric station Mostar was built. The plant was the main target of this attack. The attack quickly spread to other parts of the front toward the extremists of the Croatian Defense Council and the Croatian Army, especially toward those in the central part of the town and on the right bank of the Neretva river, in (?Sladziceva) street, the Boulevard of National Revolution, and the suburb of (?Teglica) in the old part of the town.

Units of the Fourth Corps of the Army of the Republic of Bosnia-Herzegovina are firmly holding their positions and have not moved an inch from the defense lines of the town.

The UNHCR escorted by UNPROFOR lead by Cedric Thornberry, head of the civilian sector of UNPROFOR [UN Protection Forces], was supposed to arrive in Mostar today with about 200 tonnes of food. However, this did not happen because fierce fighting was taking place at the time when the convoy was supposed to arrive.

In the late afternoon, UNPROFOR tried to arrange a cease-fire so that the bodies of 11 members of the Croatian Army killed on the Mostar front could be exchanged, and arrange the arrival of the planned food convoy. This was an attempt to establish a permanent cease-fire in this region. The cease-fire would be monitored by military observers. If this cease-fire were to last, the Spanish UNPROFOR battalion would return to the town.

At the time of reporting, there is no information on whether the Command of the Fourth Corps has agreed to this proposal. Everything is still uncertain.

This is Senad Kamenica reporting from Mostar, which today survived a real cataclysm.

U.S. Aircraft Drop Food

LD2508083293 Belgrade TANJUG in English 0813 GMT 25 Aug 93

["Pool" item]

[Text] Belgrade, August 25 (TANJUG)—Two U.S. transport planes on the night of August 24-25 parachuted 11 tonnes of food to the Moslem part of the Herzegovinian city of Mostar, it was announced at the U.S. Rhein-Main airbase in Frankfurt early on Wednesday [25 August].

Foreign agencies quoted a spokesman at the U.S. airbase that 13,440 packaged meals had been dropped to the 55,000 Moslems in Mostar.

The Moslem part of the city has been under the siege of the Croatian forces which have been clashing with Moslem formations in the region since last May.

The operation began after Croats on Tuesday again refused to let a U.N. 19-truck relief convoy reach the Moslem part of Mostar.

The U.S. military spokesman said air-dropping of food and medical supplies to the Moslem enclaves in eastern Bosnia would continue.

Western military aircraft have parachuted a total of 7,444 tonnes of food and 144 tonnes of medical supplies to the Moslem population in eastern Bosnia.

Correspondent Comments on Army Mobilization Order

LD2408125393 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 24 Aug 93

[Report by correspondent Ranko Mavrak from Sarajevo]

[Excerpts] [Passage omitted] Great confusion was caused here by a statement made public last night by the Army press center saying that the Bosnia-Herzegovina Presidency issued an order for an additional and complete mobilization of all able-bodied men. [passage omitted]

It is strange that this information was made public by the Army and not by the Presidency's information service as has so far been the case. It is not known when the mentioned session of the Presidency was held, nor who attended it. It is important to add that this information was not repeated this morning nor was it published in the Sarajevo newspapers today.

There is no doubt that such information, if it is completely credible, is creating additional anxiety for the public. It unambiguously shows that preparations for the continuation of the war are being carried out, which surely will be of no help for pressure-free decisionmaking at the parliamentary session.

Izetbegovic's Foreign Minister Haris Silajdzic has returned to Sarajevo, and as I am filing this report he is holding a news conference. Probably it will be possible to say even before Friday who is urging what and what the balance of forces is between advocates of the continuation of the war and those who are in favor of its end.

Government Cautions Bosnian Croats Against Impeding Aid

LD2408185293 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 24 Aug 93

[Excerpts] At its session today the Government of the Republic of Croatia as a matter of urgency earmarked 300,000 German marks for water supply to be provided from Rijeka to Zadar. [passage omitted]

The government also examined and adopted decisions on a number of important economic issues: First, it has assumed a firm standpoint that nobody should hinder the dispatch of humanitarian aid. Here is a report from Darko Herceg:

[Herceg] The government assumed the standpoint on the nonobstruction of humanitarian convoys because of the increasingly frequent criticism by some international media that Croats in Bosnia-Herzegovina have been obstructing or conditioning the dispatch of humanitarian aid to Muslim population. Therefore, the Croatian Government is calling on the Croats in the neighboring state to set an example in the observance of the international law as regards unhindered dispatch of humanitarian aid regardless of which of the warring factions it is designated for. [passage omitted]

Serbs Shell Maslenica, Other Areas

LD2508092693 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 25 Aug 93

[Text] At about 2200 last night, Serbs fired two artillery shells on Zemunik Donji [Zadar airport]. Late last night, Serb artillery based in Debelo Brdo and Muskovci shelled Novigrad, Jasenice, Podgradina, and Islam Grcki. Between 0710 and 0750 the aggressor pounded the Maslenica area. According to the Zadar traffic police, traffic across the Maslenica pontoon bridge has been suspended for security reasons.

UN Envoy Meets Leadership To Discuss Mandate

LD2408221793 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 24 Aug 93

[Excerpts] Kofi Annan, UN undersecretary for peacekeeping operations, visited Zagreb today and held a press conference in UNPROFOR [UN Protection Forces] headquarters. [passage omitted]

Kofi Annan was received on Brioni this evening by Croatian President Franjo Tudjman. Silvana Fabla has the story:

[Fabla] The main topic of the talks—attended on the Croatian side also by Prime Minister Nikica Valentic; Mate Granic, deputy prime minister and foreign minister; Defense Minister Gojko Susak; and Croatian UN Ambassador Mario Nobilo—was UNPROFOR's mandate in Croatia. Special attention was paid to the Maslenica bridge and the separation of the blue helmets' mandate in Croatia and other republics of the former Yugoslavia. Following an hour and a half of talks, Croatian UN Ambassador Mario Nobilo made a brief statement.

[Begin Nobilo recording] I believe that the secretary general, who sent such a high ranking delegation, is aware of the fact that time is running out, that we have only one month before the expiration of the mandate, and that Croatia is not ready at this time for any kind of compromise concerning the extension unless there is a comprehensive agreement, not only on a cease-fire that must be honored, but also on the implementation of all relevant resolutions.

We held very specific talks today on how to achieve these goals: how to implement a comprehensive cease-fire, how to normalize traffic through the UN protected areas, and how to build confidence in a political process that must ensue between the local authorities and the Croatian Government. I believe that very concrete proposals were raised on how to solve problems concerning Maslenica, how to solve the problems of the railway line through Knin and of the water supply to Zadar and its area. I think that the delegation is going to Knin tomorrow and than to Belgrade with a firm stand on the part of the Croatian Government that considerable progress must be made by the end of September if Croatia is expected even to consider... [pauses] We clearly said that the Croatian Assembly and the Croatian public are no longer ready to tolerate the lack of efficiency of the mandate [words indistinct].

We are somewhat unhappy that in the shadow of the negotiations on Bosnia the intensity of negotiations on settling the situation in Croatia is not the same. We want to speed up that process in order to achieve a settlement to the crisis in Croatia parallel to the negotiations on the internal set-up of Bosnia-Herzegovina. I think something will have to happen in this respect because Croatia will definitely not extend the mandate. [end recording]

Granic Airs Issue of Yugoslav UN Representation

LD2408155093 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 24 Aug 93

[Text] Dr. Mate Granic, a deputy prime minister and the foreign minister of the Republic of Croatia, has sent a letter to Madeleine Albright, U.S. ambassador to the United Nations, who chairs the August Security Council debate on the status and participation of the so-called Federal Republic of Yugoslavia [FRY] in the United Nations.

Since the Security Council will soon discuss the situation created by the disintegration of the former Socialist Federal Republic of Yugoslavia [SFRY], and the question of the legal position within the world organization of one of the successor countries, temporarily called the FRY—Serbia and Montenegro—as is envisaged in Resolution 821, my government would like to raise several questions, Minister Granic writes.

He recalls that, according to the UN Security Council and the General Assembly resolutions, none of the successor countries can automatically take over the membership of the former SFRY; that the FRY has not been automatically accepted as a party in many international agreements; and that the country known under the name of the FRY—Serbia and Montenegro—will have to outline the mechanism of succession in all international agreements in which it wants to remain one of the parties, as a result of the disintegration of the former state.

Minister Granic particularly stresses: My government firmly believes that the name plate of Yugoslavia should be removed from the UN General Assembly hall since there are no legal reasons for it to remain there. The delegation which represents the Belgrade authorities should not be allowed to issue documents with the UN General Assembly heading. The blue, white, and red flag with the communist star in the middle, which still flies on the UN mast although it is now not recognized even by the Belgrade authorities, must be removed.

It is my government's firm belief that no representative of the country under the name of the FRY—Serbia and Montenegro—should be allowed to address the council's official sessions. The current situation, in which the council invites Ambassador Djokic to take part in discussions, acting in contravention to the regulations 37 and 39 of the Security Council temporary code of practice, is unacceptable and, in our opinion, incorrect.

Appropriate actions of the international community, represented by the Security Council members, would send a clear message to the regime in Belgrade and strengthen UN authority, the letter of Dr Mate Granic says in its conclusion.

Krajina Serbs Appeal for Canadian Battalion To Stay

LD2408215193 Belgrade TANJUG in English 2108 GMT 24 Aug 93

[Text] Belgrade, Aug 24 (TANJUG)—The foreign minister of the republic of Serb Krajina (R.S.K.), Slobodan Jarcevic, on Tuesday [24 August] appealed to U.N. Secretary-General Butrus Butrus-Ghali to postpone the rotation of the Canadian battalion serving on the U.N. Protection Force (UNPROFOR) in the region of western Slavonia, in order that the local Croatian authorities should not obliterate the evidence of crimes perpetrated against local Serb civilians.

Jarcevic attached a file on death camps and mass graves in the villages of Marino Selo and Pakracka Poljana in the western Slavonia region, where the Croatian Army murdered 2,500 Serb civilians in the period from October of 1991 to March of 1992.

The letter, a copy of which was forwarded to TANJUG, stresses that it would be extremely unfavourable if the Canadian battalion were pulled out of the villages at this time, as that would give the Croatian authorities an opportunity to obliterate all evidence of the crimes.

Minister Jarcevic appealed to Butrus-Ghali to forward the file to the U.N. committee investigating war crimes in former Yugoslavia, in order that an exhumation of the victims could be carried out.

The R.S.K. was proclaimed in 1991 in the Serb-populated parts of the breakaway Yugoslav republic of Croatia in response to Croatia's violent secession from Yugoslavia and downgrading of its Serbs from a nation in the original six-republic Balkan federation to an ethnic minority. The R.S.K. was placed under U.N. protection in March of 1992.

UNPROFOR observers have been deployed also in the part of western Slavonia which is under Croatian control.

Croatian authorities have perpetrated untold atrocities against Serb civilians in western Slavonia who were the majority population in the region before the outbreak of civil war in 1991.

Valentic Explains Economic Situation

LD2408145693 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 24 Aug 93

[Text] Talking about the current economic situation at a session of the Croatian Government today, Prime Minister Nikica Valentic said that despite the country's difficult situation, basic preconditions for the curbing of inflation, which is now the main task of Croatia's economic policy, have begun emerging. Prime Minister Valentic stressed the good effects of the government's measures in agriculture and tourism and the balancing of the budget in overcoming disparity in reducing the public debt with a current increase in foreign currency reserves. The final goal of the economic policy is to curb inflation to 15 percent a month by the end of the year.

According to the Croatian prime minister, this would be a good basis for reducing inflation next year to the level which would guarantee liquidity in Croatia and abroad. Salaries should not fall in real terms, but Valentic warned that they would not go up either without realistic basis. The government expects trade unions to support it in this respect.

The Croatian Government also discussed the supplies of energy and electricity in the country, with special stress on the implementation of an emergency program to alleviate electricity cuts in Dalmatia. Electricity cuts for the public are expected to be discontinued in mid-September, when all power generators provided by the emergency program will be switched on.

Construction of Tunnel Seen as Problem for Krajina

AU2408124493 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 18 Aug 93 p 6

[Report by I. Zurovac: "Phantom Passage"]

[Text] Reports about the start of work on the Sveti Rok Tunnel construction under the mountain of Velebit, which was, according to the Croatian Radio, opened by Franjo Tudjman the day before yesterday [16 August], opens a new chapter in the already complicated relations between the republic of Serbian Krajina and Croatia. There are many elements indicating that this is a political action, just like the Maslenica bridge, which in the event of failure would grow into a new aggression.

The construction of the tunnel, which has long been a Croatian dream, is, according to Tudjman, a Croatian attempt to connect the southern and the northern parts of the country, but it does not mean that other links are being given up. In contrast to the period when Krajina was a part of Croatia, the construction of the tunnel today may also mean a Croatian attempt to adapt itself to reality, that is to say to the fact that Krajina does not and will never again belong to it. There is a dilemma here, though. How does Croatia intend to construct a tunnel on Serbian soil, because Sveti Rok is a place firmly held by the Serbs, and the situation is not likely to change.

Recognized Krajina

Croatia has realized that it cannot achieve "its complete territory" by its own means, and the time of the father of the nation is also running out, so that it decided to break the Serbian resistance and realize the aims of the "war for the homeland" by a step-by-step policy, supported by sponsors and propaganda.

The idea for constructing a tunnel under Velebit was officially discussed on 15 May 1991 in Zadar, at a meeting between the Croatian and HDZ leadership. Thereafter there was an attempt to make an agreement on the construction with the federal institutions. The aim was to completely isolate Krajina from the economic point of view and turn it into an enclave in the then Croatia. Events unfolded in another way, though, but Croatia has never given up this idea.

Croatian Blackmail

According to the 1991 plans, the tunnel should be 5,700 m long. Construction should take three and a half years. It would start in Starigrad and end in Sveti Rok. The project is estimated to cost approximately $65 million. Croatia does not have the money for it but it is certain that Tudjman's "cutting of the ribbon" is supported by powerful Western sponsors, who cannot support Croatia openly any longer, because of pressure from the international community and because of the existence of the state of Krajina, but this does not prevent them pushing "the Croatian issue" by propaganda actions.

In feverishly running after time, Tudjman decided to take this step also because of the United Nations, although he was not successful with the Maslenica Bridge. Croatia has long insisted that the UN Protection Forces open the roads on the entire territory of the former Yugoslav Republic of Croatia and give up the pink zones, so that the implementation of this idea depends on the extension of the mandate of the peacekeeping troops. Their mandate expires on 30 September, and if Tudjman's conditions for its extension are not fulfilled, it can hardly be believed that it will be extended, which means a new aggression against the republic of Serbian Krajina is possible. Croatia would in this case use the construction of the tunnel as an excuse in the media for the alleged liberation of its territories and opening of roads in its whole territory.

[Box, p 6]

Possible Aggression

The Ministry of Foreign Affairs and the government of the republic of Serbian Krajina did not officially respond yesterday to reports about the construction of the tunnel under Velebit. Circles close to the Ministry think this is yet another Croatian political action that could develop into a complete aggression against Krajina. In any case, all the circumstances will be studied, and the people will be promptly informed.

[Box, p 6]

Two States

If the Sveti Rok Tunnel is built, it would come out in the village of Sveti Rok, which lies on the Zagreb-Karlovac-Gospic-Knin-Split railroad line. It would be one more link between Dalmatia and Zagreb. The tunnel would start in Starigrad, which today is held by Croats, and end up in Sveti Rok, which is held by Serbs. This would not change in the event of division according to the Vance-Owen plan either, especially not after the state border has been established.

RSK's Hadzic Disputes Seselj's Charges

93BA1359A Belgrade NIN in Serbo-Croatian 30 Jul 93 p 20

[Article by B. Gulan: "Patriot—Profiteer?"]

[Text] *Seselj has unleashed a wave of accusations at the expense of Goran Hadzic, who interprets this as a direct attack on Slobodan Milosevic.*

The brief absence from the public of Goran Hadzic, president of the republic of Serbian Krajina, immediately produced among the public the old stories about his quietly being removed, his incapability of leading a state, his war profiteering, his betrayal of national and state interests. The reason for the first accusation was found in

Hadzic's absence from the negotiating delegations from Serbian Krajina and the appointment into them of the earlier exluded Milan Babic, once the direct adversary of the Pacetinski warehouseman. The charges of war profiteering that existed earlier—the sale of Slavonian forests at low prices, summer vacations at the expensive Sveti Stefan, an apartment in Novi Sad—have now been supplemented by Commander Vojislav Seselj. Hadzic earned 2.3 million German marks through smuggling petroleum. This would not be so terrible if that petroleum had not been destined for the tanks of the defenders of the Krajina, which thus remained immobile when Croatia went on the attack on 22 January, conquering both the Maslenica bridge and the Zemunik airport.

However, this is not the end of the charges of treason. Rade Leskonac, the leader of the Krajina radicals, corroborates his chief and says that Hadzic gave away the Maslenica bridge—a bone in the throat of Croatia—and the Zadar airport and got nothing in return. Absolutely nothing. Hadzic, sighing at the mention of Seselj's name—"Ugh, don't mention him to me"—rejects all the charges.Using his authority, he obtained 1.6 million liters of fuel for tanks from private businessmen. With the money from the sale of the wood, uniforms were bought for Krajina fighters who were shivering in the winter. In Novi Sad he is only a subtenant in the apartment of a friend. A friend, a businessman, took him to Sveti Stefan."We have done everything that we have promised our people. And that is so that the checkerboard flag will no longer hang in these areas. Now we are waging a struggle for international recognition. The charges of trading in territory are from Tudjman's kitchen, but they're also coming from the Serbs. Because of the Croatian people we yielded the bridge and the airport, but if the ustashi do not withdraw, we will again blow the bridge into the sea," Hadzic explains.The point of his story is: "Milosevic has never made a decision without asking me or the people. Therefore, every attack on me (Dr. Seselj has been doing this recently) is an attack on Milosevic himself and on Serbia."

HDZ Proposes Reorganization of Secret Police

93BA1267A Ljubljana DELO in Slovene 15 Jul 93 p 5

[Article by Kresimir Meler and Branka Horvatek: "'Hawks' Among the Intelligence Officers"]

[Text] *Vladimir Seks proposed to President Tudjman that the Service for the Protection of the Constitutional Order be reorganized; unlimited possibilities for monitoring "dangerous" people.*

From our associates.

If you collect enough data, you can prove anything that occurs to you through statistical methods, according to Williams' and Holland's Law. It is quite certainly in accordance with this law, and also the principle of being up to date, which says that it is always good to know the answer in advance whenever you are trying to solve a problem, that the members of Croatia's ruling party are acting in making a great effort to prove to the increasingly more upset and impoverished Croatian public that currently the most important thing is to reform the secret police, which a few weeks ago was still called the Service for the Protection of the Constitutional Order [SZUP], and has now become the State Security Office [UNS] (the abbreviation is unpleasantly reminiscent of a similar service in the late NDH [Independent State of Croatia]). Of course, a struggle for power and serious mutual intolerance are concealed behind these efforts.

It started when the HDZ [Croatian Democratic Community] "hawks," under the leadership of Vladimir Seks and Vice Vukojevic, sent President Tudjman a letter proposing "the reorganization, as soon as possible, of the SZUP. Although we could also discuss professionalism, the basic problem in its activity is the inappropriate structure of employees in the operational service. It has to do with the fact that they were not selected on the basis of strict standards, and instead a lot of them came from the former SDB [State Security Service]. Consequently, it is possible that they are even working for the opposing side (...). It is probably for that reason, and also negligence, that they are not monitoring people who have a very bad influence on the system in the Republic of Croatia and its reputation abroad, even though they have been asked to do so several times."

Also interesting is the other part of the letter, in which they warn that "the leading party does not have any influence on the operation of systems like the Croatian Railroads [HZ], the PTT [postal, telephone, and telegraph service], etc., which means that these systems are not carrying out a policy that would suit the HDZ. One can even detect concrete signs that the management's operation is harming Croatian interests and that they are deliberately pushing aside HDZ personnel (...). All of this also influences our relations with the Croatian Community of Herceg-Bosna, and that supports the assumptions that there is an anti-Croatian conspiracy of broader dimensions." Soon afterwards, there was a "crack" in the SZUP. It is interesting that reports from "outside collaborators," which are strictly confidential in all intelligence services, came precisely into the hands of the people who were mentioned in them, and then—one more surprise in the Croatian legal system—to misdemeanor judges.

Action of the "Healthy Forces"

Thus, in one of the reports Croatian Deputy Prime Minister Seks was mentioned as "a politician who, for unexplained reasons, is preventing exposure of the truth about the murder of Milan Krivokuca, the union steward at HZ." Then dismissals started to be carried out, and at the same time, they intensively wiretapped people who, in the opinion of the "healthy forces," could harm Croatia's reputation abroad or destabilize the present authorities. As the principal cause they misused the fact that in its reports and actions the SZUP covered people who enjoyed Seks's confidence—especially Zdravko

Marinic, the chief of the service for internal control at HZ, who was suspected of having kept a lot of explosives and ammunition for terrorist actions in HZ warehouses. Marinic did not seem important to the HDZ hawks just because of his position at HZ, but also and even more because of his connections at SZUP, for which he also worked himself, and so he delivered to the committee that was supposed to determine alleged irregularities in the work of Dr. Alojze Brkic (who supposedly belonged to Mesic's faction, along with Adamic) strictly confidential information about HZ's operations, including invented information on a large commission for importing railcars from Sweden. Actually, they were railcars that were bought at an extremely favorable price for housing refugees, and then their purpose was changed, so passengers will be carried in them. Furthermore, on orders from Seks and state attorney Stjepan Herceg, Marinic also provided other information from Stjepan Kralj and other SZUP collaborators. Among it was information saying that "Vladimir Seks is personally interested in the work of the Helios insurance company, and that, along with personal hostility and a belief that Stjepan Mesic is closer to the Liberals than the HDZ and that he is not fully carrying out HDZ policy, is why he launched a campaign against the Croatia insurance company, whose board of directors includes Stjepan Mesic."

Witch Hunt

Seks, of course, could not overlook suspicions about his right hand in one of the most important systemic enterprises and the state intelligence service, and consequently, at his initiative a working group was formed with a very interesting composition: its members are Djuro Peric, Marijan Juric, and Djuro Decak, radical HDZ members and extremists themselves. Concerned about the fate of a loyal collaborator who spent "about 18 days" in jail, they started a witch hunt. To start with, by who knows what logic they determined that the "suspicions against Marinic had assumed a political dimension, since some officials from the Interior Ministry and the state attorney's office had participated in the criminal proceedings against him, and because there was no proof that classic terrorist activity was involved. The order by acting district state attorney Ivica Ovcar, which says that terrorism is involved, also seems unusual to us." At the same time, they criticized Stjepan Ovcar, calling him "a criminal who at one time was extradited by the Swedish authorities," which is not true.

In a strictly confidential part of the report, they note that "the working methods to date of the SZUP/UNS and the HZ and HPT [Croatian Post and Telephone] services should be changed, and people should be appointed to responsible positions who will consistently carry out HDZ policies without superfluous discussions and opposition to the HDZ leadership's conclusions (...). In this regard it is necessary to raise the question of who is employing people with a suspicious past and why, and how it is possible that some employees—specifically Zdravko Mustac (until recently the number two man at SZUP—author's note)—in their role as misdemeanor judges, propose acquiting Stjepan Kralj, against whom Vladimir Seks filed a complaint. It should be pointed out that Mustac was an SDB employee and that he was obviously employed by the SZUP without critical consideration."

Conflict Between Two Forces

Everything was thus clarified. Mustac and Manolic, in fact, are members of the political faction to which Stjepan Mesic also belongs, and which recently clashed angrily with the Seks-Vukojevic lobby because of what Manolic called forged dossiers on the leaders of individual political parties and prominent public and cultural workers, and the threats that "a whole series of other people would be exposed with these dossiers." Even though Manolic advocated punishing the people who had misused the dossiers, nothing at all happened to Vukojevic, who was actually the main instigator of the "dossier war." Of course, Manolic and Mustac were criticized for "giving a political slant to Marinic's trial through their activity."

Even though Manolic and Mustac were removed, the dispute between the extremist faction and the liberal one (which claims, quite justifiably, that the SZUP or UNS is not a political police but rather a service whose task is to uncover terrorists and foreign intelligence officers) has not yet been smoothed over, and the first faction has grown considerably stronger. The radical faction in the UNS (State Security Administration), headed by Hrvoje Sarinic and Miroslav Tudjman, is now trying hard to uncover "heretics" and people who could threaten Croatia's security and harm its reputation. In this regard, the choice of Hrvoje Sarinic and Miroslav Tudjman as the heads of the UNS is surprising, since Sarinic, as a former Framatom official, is undoubtedly still under surveillance by foreign intelligence services, and the same thing also applies to Miroslav Tudjman.

As reliable and well-informed sources maintain, the extremist HDZ members, with the help of their supporters in the HPT, recently started to wiretap people who are "of security and intelligence interest for the UNS and the security of the Croatian state," and to interfere with their telephone conversations. Although by law only the minister of internal affairs can approve wiretaps, that still does not mean that there is no wiretapping without his permission. The UNS, under the leadership of Sarinic and Tudjman, has unlimited opportunities for surveillance of "people dangerous to the future of the regime," since just as in the former system, there are so-called collaborators in the HPT (and also in other large systems), who participate in the dirty work out of fanatical patriotism or for financial reasons, or are even under pressure from the "Service" themselves because of their objectionable past. If such people are in important enough positions—and we also know that from the past—all sorts of things can be done semilegally. Finally, the UNS chief will soon have the authority to approve the wiretapping of telephones or postal surveillance, "whenever it seems necessary to him." Actually, it will not even be necessary to ask him for permission, since usually no one discovers that kind of activity, and if someone suspects that something like that is going on, the Interior Ministry and the UNS can call him a liar and declare him to be paranoid.

The above-mentioned reliable source from the MNZ and the UNS, and also from the HPT, state that wiretapping of the telephone conversations of a whole series of politicians at odds with the extremist HDZ faction has already started, including even some members of the ruling party, and also the former chief of the secret police and the present chairman of the Chamber of Parishes in the Assembly, Josip Manolic, and even some foreign correspondents and members of the Antiwar Campaign. This is partly done "in order to protect Croatian interests," and partly in order to be able to blackmail the people who are wiretapped later on. If they suspected that they were being wiretapped, they would receive the same kind of answer that Manolic did. Minister of Internal Affairs Ivan Jarnjak, in fact, nicely explained to him that as minister, he had not signed any document approving a wiretap, and consequently there had been no wiretap.

To be sure, some of the blame can also be attributed to the military counterintelligence service, in which there is no system to prevent the illegal wiretapping and recording of all sorts of suspicious people. That intelligence service and the UNS currently have the most "hawks," who have succeeded in doing precisely what Milosevic did in Serbia—they have removed (and are still removing) professional intelligence officers and replaced them with HDZ veterans, for instance Ivan Tolj, Slobodan Praljko, etc. According to reliable sources from the Interior Ministry, those intelligence services cooperate and exchange information. Consequently, if they really are eavesdropping on someone (and there are quite certainly a lot of such people), there is no point in seeking evidence. "It is possible that there is an illegal group that is now doing such things because of some interests of their own, and the sick ambitions of individuals could also be involved," as Mr. Manolic said clearly. If we take into account what is happening around the HDZ and the persistent interference by the hawks in Bosnia-Herzegovina's internal affairs, and the fact that they see the war option as the only solution (even at the cost of sanctions and declaring all those opposed to or even doubting Tudjman's positions to be traitors), it is obvious that the devil is blacker than it appears, and that Croats (and others in Croatia) should be careful what they say.

Jansa: Testimony 'Confirmation' of Known Facts

AU2408151293 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 24 Aug 93

[Text] The investigating judge of the Maribor Municipal Court this morning questioned Defense Minister Janez Jansa as a prosecution witness in the trial following the discovery of arms and ammunition at Maribor Airport. Defence counsel for three of the accused were also present during the hour and a half long examination, while a fourth, Silvo Komar, attended in person.

After testifying, Minister Jansa gave Maribor Radio reporter Breda Cepe the following assessment of today's events in court:

[Begin recording] [Jansa] The testimony and the entire process was more or less correct. Only the prosecutor's questions were unusual. He primarily asked how the matter had been discovered and what units had been at the airport. Particularly strange was the question as to whether Slovenia in the period after the war had ever violated the UN embargo, as if it were the state of Slovenia that was on trial and not these criminals.

[Cepe] Will the answers that you have given today change the course of the investigation?

[Jansa] That is doubtful. Most of what I stated as a witness today the investigating judge and the prosecutor already knew from the preliminary hearing [predkazenski postopek], from the documents that we had forwarded to the crime squad, which forwarded them to the prosecution. Therefore, this probably represented merely an official confirmation. However, the court and the Prosecutor's Office have full authority to take action on the basis of the documents from the preliminary hearing. Therefore, the fact that this testimony has taken place a few weeks after the discovery of the affair can in no way influence the speed of the investigation. Most of what has been said today is not only already known but is also already written in the official documents. [end recording]

MP on 'Wild,' 'Acrimonious' Political Disputes

LD2208185693 Belgrade TANJUG in English 1828 GMT 22 Aug 93

[Text] Ljubljana, Aug 22 (TANJUG)—Political quarrels between Defence Minister Janez Jansa and Justice Minister Miha Kozinc of the ex-Yugoslav Republic of Slovenia in fact represent a conflict between parliamentary democracy and totalitarianism in which Slovenia's future is at stake—it has been cautioned by Jasa Zlobec, MP of the Slovenian Liberal Democratic Party, the leading party in the government coalition.

In his statement to Sunday's DNEVNIK daily of Ljubljana, Zlobec asserts that "since the latest elections, the Slovenian political scene has been one of increasingly wild and acrimonious disputes." He accuses Defence Minister Jansa of having caused a split in the Slovenian political scene.

Jansa perseveres in refusing the Slovenian justice bodies' demands to present his testimony regarding an affair of arms smuggling via Slovenia to the ex-Yugoslav Republics of Croatia and Bosnia-Herzegovina.

In one of the most severe criticisms of Jansa, MP Zlobec has stated that the defence minister bluntly tries to take hold of the entire political scene and assume complete power in Slovenia by means of frauds and blackmails.

In addition to this affair, which has been upsetting the general public in recent weeks, Slovenia's citizens are confronted also with economic problems because the current authorities have failed to fulfil a variety of promises about an economic boom, announced immediately before the republic's secession from Yugoslavia two years ago.

Slovenia's ex-Premier and notable economist Dr. Joze Menzinger does not predict, for the Slovenian economy, "any particularly favourable developments and good results." He told the VECER daily that at the time of secession, Slovenian citizens were confident "they will be well off, once they are no longer within Yugoslavia." He recalled that as early as 1983, when nobody believed him, he predicted a massive unemployment in Slovenia.

In 1983, Slovenia had a total of 15,000 jobless. Today, their number exceeds 130,000, with another large wave of unemployment expected in October. In October, the validity of annual work permits will expire for some 25,000 citizens of other ex-Yugoslav republics (mostly Croatia and Bosnia-Herzegovina). Many of them will lose both their jobs and their residence rights in Slovenia.

Cocaine Cache Discovered in Koper Market

93BA1366A Ljubljana DELO in Slovene 10 Aug 93 p 10

[Article by Janez Odar: "The Three in the Renault Were Smuggling Two Kilograms of Pure Cocaine"]

[Text] Koper, 9 Aug—On Saturday, at approximately 1345, Koper detectives accomplished a great achievement. In Stanic Square, across from the Koper Market, in fact, they caught drug dealers, and in doing so seized a little over two kilograms of pure cocaine.

The detectives already got on the trail of the dealers while gathering information on Friday, when they learned, among other things, that the sale of a large amount of cocaine would take place in Koper the next day. According to that information, the dealers were to be driving a red Renault with a Ljubljana license plate.

Milan Pristov, chief of the office for detective affairs at the Koper Internal Affairs Administration, stated at a noon news conference that the police had already tracked down such a vehicle with three passengers in Portoroz on Saturday morning, and monitored it all the way to Koper.

At approximately 1345, the driver parked the Renault in the Koper market's parking lot, and the passengers got out and separated. One of them went to the left, toward the Triglav Hotel, and the other two, one of whom was carrying a yellow plastic bag, went across the road toward Stanic Square. In front of the Slovene Lottery office, an attempt was made to check the suspect's identification.

The one who was carrying the incriminating bag threw away his dangerous load, and both of them tried to escape the police, but were stopped after just 10 meters, and turned over to the misdemeanor judge. The same fate was also suffered by their traveling companion, who was arrested several hundred meters away, in front of the Triglav Hotel.

The investigation showed that the yellow plastic bag of foreign origin contained four half-kilogram parcels of a white substance, which turned out to be almost certainly cocaine. That should also be confirmed today by an analysis at the central detective laboratory in Ljubljana.

The following were in investigative detention in Koper: 50-year-old Slovene citizen E.V., 52-year-old Bosnia-Herzegovina citizen M.H., and 36-year-old Croat I.S. They were drived a rented Renault. During the interrogation, they said that the drugs seized, which were to be sold in Italy, were worth approximately 300 million lire, or about 23 million tolars. This is the largest package of cocaine intended for sale that has been seized on Slovene territory recently. Until now, in fact, all of the larger quantities were seized in transit.

Investigating judge Bogomil Horvat ordered detention for all three suspects, two of whom are denying any connection with the cocaine whatsoever. The lethal powder was thrown away by M.H., who said during the investigation that he intended to sell the drugs, which had come from Croatia.

[Box, p 10]

Milan Pristov said that a new dangerous mixture of cocaine and heroin, which users call "spit ball," had arrived on the drug scene. It is supposed to have received the name because of its strong and rapid effect, which is a combination of the simultaneous narcotic and stimulant effects of the drugs.

Federal

CSCE Denounces 'Repressive Acts'in Kosovo, Sandzak

AU2508093293 Tirana ATA in English 0844 GMT 25 Aug 93

[Statement by Ms. Margaretha af Ugglas, Chairwoman of the CSCE Council of Ministers—ATA headline]

[Text] Tirana, August 25 (ATA)—Regarding the developments in Kosova, Sandjak and Voivodina after the expulsion of the CSCE missions from there, the chairwoman of the CSCE Council of Ministers [acting CSCE president], Ms. Margaretha af Ugglas declared that there are alarming reports of an increasing number of repressive acts by Serbian authorities in Kosova, Sandjak and Voivodina. Objective of these attacks have also been the staff of the CSCE missions and persons that have relations with these missions. The growing repression of the local authorities has caused great worries and is a violation of the basic CSCE principles.

These acts have considerably increased the tension in the area. The government of the Federal Republic of Yugoslavia (Serbia and Montenegro) should be aware of the its responsibility regarding the increasing threats of ethnic violence in its territory. The CSCE denounces this repression and every persecution made even towards former officials in these missions.

I consider a discouraging and regretful act the fact that the Belgrade government has openly refuted the resolution of the UN Security Council in support of a continuous presence of the CSCE missions in this zone.

The CSCE will closely follow the developments in Kosova, Sandjak and Voivodina, despite the expulsion of its missions and the persecution towards its staff.

New Trade Instructions for Serbia, Montenegro

93BA1353A Belgrade BORBA in Serbo-Croatian 27 Jul 93 p 10

[Article by M. Vukovic: "Strictly Controlled Shipments"]

[Text] Businessmen in Serbia and Montenegro can agree to trade and cooperate in their mutual interest, but no agreement will stick unless it conforms to the changeable political relations between these two republics. The border checkpoint does not come down with an economic calculation, but an administrative decision, usually produced by some package of fire-fighting measures. Producers suffer still greater troubles when an alert is sounded, and they do not know which decrees are in effect and who is enforcing them.

That is exactly what happened last week at the border crossing from Serbia into Montenegro. Trucks which up until then had passed without stopping were inspected to the last detail and often sent back where they came from. When it asked what was happening, Serbia's Market Inspectorate got the response that the "decree of the government of the Republic of Serbia preventing the export of strategic products was being activated." The republic government adopted this order back in January of last year in order to prevent food, livestock, and petroleum products from leaving the republic. If those commodities were in fact shipped, they had to have a special permit from the "appropriate ministry of the Republic of Serbia." In this case, that is the Ministry for Trade and Tourism. Because Radisa Djordjevic, this ministry's new head, by his own account "had knowledge that flour, sugar, and oil were going to other countries through Montenegro," this has by all appearances caused the pileups at the border between Serbia and Montenegro.

The Market Inspectorate immediately moved from words to deeds and stopped all carriers with "suspicious goods" at the border and requested the special permit of the Trade Ministry. Because the decree of January of last year has not been current for a long time now, although it has not been officially repealed, none of them had the papers requested. Thus only those goods which could stand the high temperatures got where they were supposed to go.

The sudden holdup at the border angered suppliers in Montenegro, who immediately requested intervention by their own trade minister, Dusko Lalicevic. At his request, all the trucks were allowed through, and Lalicevic made an agreement with his Serbian counterpart that the traffic in goods between the two republics would not be hindered before issuance of an "instruction on movement of goods which are susceptible to smuggling."

Because we were unable to learn from the government of the Republic of Serbia when these instructions would be drafted and why strict checking of exports had been activated just now, only guesses are left. First of all, it is unclear how the republic ministries will manage to agree, because the Montenegrin ministry does not accept the charges that valuable goods from Serbia are ending up on the dining room tables of other countries. It has been stated that "the Trade Ministry in the government of Montenegro has no knowledge of such occurrences and cases," that is, it has no data on smuggling of products from Serbia on the list of those strictly prohibited for export.

It is still more uncertain what kind of instructions can entitle one republic market inspectorate to interfere in the work of an inspectorate from another republic, even though they belong to the same state. Regardless of the economic and political relationship between Serbia and Montenegro at the moment, the shipment of goods between them is still not considered to be export. Normal economic relations presuppose that producers from the same country are not subject to strict censorship, even if they are trading in food and other goods which are not abundant. But because for a long time now nothing has been the way it should be, it is easier to catch smugglers than to put them out of business through increased production.

Serbia

Sandzak Muslims Against Geneva Plan for Bosnia

LD2408132993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1241 GMT 24 Aug 93

[Excerpts] Novi Pazar, 24 Aug (TANJUG)—Rasim Ljajic, secretary of the Party of Democratic Action [SDA], said at a news conference in Novi Pazar today that his party is against the Geneva agreements on the division of Bosnia-Herzegovina. "The Serbs have taken as much as they wanted, the Croats as much as they could, and the Muslims as much as they were given," the SDA secretary said.

In his view, the Geneva negotiations are only an altered version of the Serb-Croat plan to divide this former Yugoslav republic. Ljajic believes that the Muslim assembly will reject this plan and that the Geneva negotiations will go on until, he said, a just solution is reached.

Alija Izetbegovic's demand that the Muslims in the Sandzak be treated like the Serbs in Croatia is not considered by Ljajic to be anything new because, according to him, this has been the SDA stand since the 1990 elections. [passage omitted]

Ljajic tried to deny that Sulejman Ugljanin, SDA leader in Sandzak, and his family have left the country, adding at the same time that Ugljanin is in Austria and that he will remain abroad until the Geneva negotiations are over.

Article Views Discipline Among Seselj's Radicals

AU2408124693 Belgrade BORBA in Serbo-Croatian 23 Aug 93 p 9

[Article by Miroslav Mikuljanac: "SRS: 'Seselj Said So'"]

[Text] One part of the political public in Serbia sees the Serbian Radical Party [SRS] as a dictatorial organization headed by Vojislav Seselj, "a man with an iron fist," whose words and deeds "emanate hatred, too much ambition, and absolutely no respect for others' opinions." The other part of the public sees the Radicals as being a party of "democratic orientation" that is headed by "an extremely brave man, a patriot who does not mince words," and who has earned the position of leader with his "intelligence and political wisdom."

You can, of course, decide for yourself what the truth is, but it is a fact that in Serbia today, the latter group is more numerous and powerful. In both cases, however, Seselj's leading role in the SRS is undisputed, as is the fact that he, as the alpha and omega of the party, sets all of the party's crucial cogs in motion.

Officially, and in practice, all important decisions regarding the SRS's activity are made by the Main and Executive Committees, which are headed by the party's boss, the warlord Seselj himself. Undoubtedly his authority has enormous influence on the decision making, but, according to the Radicals' claims, the democratic procedure is always respected, so that whatever the majority decides becomes the "law" for all members of the party. Many people believe that it is precisely this high degree of discipline that has put the Radicals in a position from which they "lord it over" Serbia.

To date, there has been only one incident of clamorous disagreement at the SRS's top, and that occurred when the late Vojin Vuletic, one-time vice president of the party transferred to the Democratic party saying that he had been "suffocated by Seselj's despotism." Unofficially, rumor had it that the Radicals had refused to cover Vuletic's gambling debt (which infuriated him), but the rumor soon became redundant since Vuletic died shortly afterwards.

After the December elections, the party imposed special measures of precaution in case of carelessness in work and voting on its deputies. Every deputy signed a blank resignation. So far, the severity of this decision was tested only by Ceko Dacevic, who was stripped of his immunity because of a breach of party discipline (taking a trip without permission).

The evaluation system for party activity in the SRS is simple and has been tried and tested: disciplined and successful members "progress" quickly, while others leave, quietly and without much ado in most cases. Seselj has established such relations in the party hierarchy that everyone knows his place, obligations, and limits. Some organize volunteers, others make coffee, or utter the same sentence at all times. It is known who speaks for radio and television. Aberrations are forbidden, so there aren't any.

When Maja Gojkovic tried to reprimand her party president from the assembly speaker's platform (she was only joking), she was immediately "disciplined." At a recent press conference, Rade Leskovac tried explaining in his own words the SRS's attitude to the "Dafiment Bank," but Seselj interrupted him in the middle of a sentence and reminded him that such improvisations had not been planned.

Within the narrow circle of the party leadership, there is not much occasion or need for Seselj to raise his voice. His associates obey him unconditionally (at least publicly), they regard him with awe, while uncertainties are solved with the sentence: "but Voja said so."

Seselj's organizational talents were praised by his "sworn enemies" from Helsinki Watch, who stated in one of their reports that the SRS's volunteers are the most disciplined paramilitary formation in the former Yugoslavia.

[Box, p. 9]

"You Are Aware of Our Discipline"

Vojislav Seselj did not want to tell BORBA in detail just how party discipline affects the political status of the SRS, because he was angry that BORBA had recently compared the Radicals' economic program to the program of Hitler's party just prior to their ascent to power in Germany.

I am surprised that you are the ones to ask me this, when you surely know what discipline is like with us fascists. This was the single, ironically intoned answer that we managed to get from the Radicals' president.

SPS Purges Not Sign of Ideological Differences

93BA1357C Belgrade NIN in Serbo-Croatian 30 Jul 93 pp 10-11

[Article by Dragan Bujosevic: "The Ease of Governing"]

[Text] Belgrade, Kosovo Polje, Kikinda, Klina, Pancevo, Vucitrn, Sremska Mitrovica...are places where something has been happening these days among the Socialists there.

In Belgrade, Nebojsa Covic has ceased to be the chief of the capital's Socialists, and has remained the prime minister in the metropolis. Miodrag Vujovic, member of the Executive Committee of the Belgrade SPS [Socialist Party of Serbia], says that even Slobodan Milosevic "gave him the highest marks for the work he has done so far in his position of leadership of Belgrade's Socialists."

In Kosovo Polje, the Socialists have been unable to elect the first man in the opstina. It seems that Milosevic's observation at the Second Congress is still in effect for the SPS-ites in Kosmet: "You do not need separatists. You are sufficient unto yourselves." Some journalists in Pristina say that it is not even quite certain that Dr. Zoran Grujic renounced his deputy's seat, as was being said at first.

In Kikinda it has all been going on since February, it is complicated, and it has certain connections to the Radicals, but Milovan Blazic has fared the worst in that he received two pink slips. He was expelled from the highest body of the SPS in that city, and he also lost the post of director of the Medical Center.

Ms. Nada Kirbus, prime minister of Pancevo, was expelled from the party's Executive Committee by the top leadership of the Socialists there, "in spite of the bylaws, because the Opstina Committee did not make a decision on that." "In my disagreement with Sinisa Batalo, there is no trace of dispute over the party program or an ideological conflict. He would like everything to be unanimous, he does not want to listen to other people's arguments," Nada Kirbus explained for NIN.

It was once held against the woman prime minister that she was against purchasing the new telephone office. The old one is still under warranty, we have not paid social assistance—were her arguments. there must be something to it when you are the only one against, the doubting Thomases concluded. Then, Mrs. Kirbus thanked an oppositionist for the proposal referred to. This was taken as sacrilege. Finally, she was also against the Construction Directorate getting into the buying and selling of petroleum, chickens....

Pankov, Balj, Andjelkovic, and Minic were aware of relations between Batalo and Kirbus, which is sufficient evidence of the seriousness of the disagreement between the "government" and "party" Socialists in Pancevo.

Exhausted Personnel

If one of the conflicts enumerated had occurred in some opposition party, the newspapers would have written about this for days, the oppositionists would have hung out their dirty linen "in the name of democracy and the truth," incidentally destroying old friendships, and there have already been cases when on such occasions public meetings of the highest party bodies were even held. Even a split of the party ought not to be excluded.

Demonstrating once again that they learned their trade long ago, after the "Covic sensation" the Socialists adroitly covered everything with a new word in the political vocabulary: "deaccumulation."

This term does not have the negative implication of the word "resignation" or "removal." On the contrary. Used in connection with Covic, it was supposed to mean that the "restless boy" is still the pet of the party, which only wants to spare him strenuous day-and-night labor (thereby quickly casting into oblivion those reproaches of Covic that he had privatized the FMP [Metal Product Factory] for himself, that there was something shady about the purchase of some kind of steel sheet, and with the house he is building). So, let us spare our personnel excessive exhaustion. That interpretation received the votes of eight members of the Executive Committee of the Belgrade SPS, while four were against. In the Main Committee, the ratio was 39:7. Those four and nine did not know—official spokesmen of the SPS later said—that back in May a decision was made at the highest level to begin "deaccumulation," and also that there was an agreement that Covic would not be the first among the Belgrade Socialists as soon as he became prime minister in the capital. It seems that even he did not know that.

The desire was to impart to everything the impression of something normal and natural, thereby removing even the slightest thought that we might be dealing here, say, with the beginning of a "Belgrade faction" in the SPS.

We did not manage to ask Milomir Minic, general secretary of the SPS, who really is too busy, how strong the divisions were in the "Belgraders" and "provincials" into "young" and "old," into "party officials" and "government-business officials." "Factions in the SPS? No, not at all," one of the older Socialists said in an unofficial conversation. When a younger woman member of the party was asked about putative and possible divisions, she answered, "No." "No. No...."

"The Socialist Party has so far proven a high degree of constancy. There have been few upheavals in life within the party. This is particularly strange for the period up to December 1992, when the Socialists had 80 percent of the seats in the Serbian Assembly. World experience is that factional fights, pronounced splits over differing interests, occurred precisely then. There are examples of that in the Japanese Liberal-Democratic Party and Italian Christian Democratic Party. It functions through currents, factions, which even have their own newspapers," Dr. Vladimir Goati told NIN.

Rebelliousness and renegadism have not been a distinctive feature of members of the ruling party in Serbia and Yugoslavia. When the multiparty Assembly of Serbia first opened, there was much talk in the corridors about possible switchovers of certain Socialists into the SPO [Serbian Renewal Movement] or Democratic Party [DS], and this was stressed in their unofficial statements. Nevertheless, instead of a transfer from the government to the opposition, it was noted only that one member of the SPO, said to be "independent," passed over to the Socialists, while the president of the Assembly, Slobodan Unkovic, left that post because of leniency toward the opposition.

Since back in the winter of 1992, there has been talk about creation either of a Social Democratic faction in the SPS or establishment of a new party by certain deputies of the SPS. There was even talk that there were 57 such people. It all ended with the SPS expelling seven of its insubordinate member-deputies, who only after that would establish the Social Democratic Party. A poll conducted at the time by the agency Medijum showed that 12.7 percent of the Socialists supported the Trajkovic-Cvetkovic group, 58.2 percent were against them, and 28.2 percent could not decide. We all know how the Social Democrats (the Trajkovic-Cvetkovic group) did in the elections.

The previously unprecedented "change of party blood" at the Second SPS Congress, also referred to as the "congress for renewal of personnel," when one-fourth remained in the Main Committee and one-fifth of the old members in the Executive Committee, did not provoke any major rebellion among those rejected and dissatisfied. Honestly, there was no rebellion. On the first day of the congress, the dissatisfied Aleksandar Bakocevic said: "This is no longer the party to which I belonged until yesterday" and "All of this is being rigged and there is someone behind it." Then he calmly continued to preside over the Assembly of Serbia. Borisav Jovic said that he had received 100 percent of the votes when he was elected president, while Milosevic recorded two "against"; and that it was ridiculous to oppose Sloba with a candidate who had received five to 10 votes. Zivorad Igic said of his not being elected to the Main Committee that it was an undeserved punishment. Only Pavic Obradovic, who accused Milosevic of not being flexible toward the opposition and not appearing in public, tried for a time to show his individuality, paying for that with the loss of his deputy seat.

After Covic's "When I come back from vacation, I will have something to say," Belgrade's first lady, Slobodanka Gruden, said: "I wish the talk would stop about a conflict in the SPS."

Srbobran Brankovic of the Institute for Political Studies, said what Dr. Gruden would not have liked was impossible. In an interview with NIN, Brankovic said: "Our research shows that the Socialist Party is the one that is ideologically 'broadest,' dispersed the most over the ideological spectrum. Although it is the only party which has ideological credentials in its name, it is ideologically the most heterogeneous. The SPS has no consistent ideology or clearly profiled strategy, but is like movement 'devoid of any conviction,' as Max Weber put it."

The Party-State

In a party which favors privatization, if it is "fair," and "capital in joint-stock companies," which is building a civil state-society and which bases its election campaign on patriotism and defense of the national interest—there really is room for many people. "We are a party of the workers, peasants, and middle class," says Dusanka Djogo, leader of the Young Socialists. "The voters choose according to the idea they have of the party. Only one-tenth of them are familiar with the party program," Goati says.

This sociologist, an expert concerning political parties, sees some other reasons why he does not believe that there can be any sizable divisions and division into factions in the SPS. "It is natural to assume that divisions in a party will be fewer when the figure of 80 percent of the seats in the parliament falls to 40 percent. Then it is normal to rally, to integrate." Goati particularly emphasizes the good organization of the SPS, in particular the fact that this is a party-state, just like the Christian Democrats in Italy and Liberal Democrats in Japan, who for the first time since World War II lost an election the other day. "Such parties are bound by a thousand threads to the administration of a state. It is difficult in this case to separate the party from the state. Present and former party officials are in at least 15,000 strategic places in government and quasi-governmental agencies," Goati says.

Something more was learned about the intertwining of the government and the SPS when it became public that by a decision of the SPS Main Committee the deputies of that party and its paid officials, but also the directors of public enterprises, elementary and secondary schools, and chairmen of managing boards of business firms must—regardless of whether they are members of that party or not—pay 3 percent of their income into its election campaign fund.

But if the "ideological conglomerate" and identification of the party with the state-government can be a barrier to division of the SPS, they can be disastrous for its survival. "In such parties, cohesion is based on two assumptions: the authority of the leader and holding on to power. If power is lost or the leader departs, they can be expected to break down into numerous ideological components," Brankovic says.

"Pragmatism in governing destroys party identity. That and also the closeness to the Radicals are the reason why polls of the Social Sciences Institute have shown that 40 percent of the Socialists and Radicals would pick the Radicals or Socialists, respectively, as their second party. But this porousness is to the advantage of the Radicals, because surveys are showing that since 1990 there have been two trends: a reduction in the number of Socialist voters and an increase in voters for the Radicals. The Socialists have taken advantage of support of the Radicals, but in politics there is no such thing as support that is not paid for," Goati concludes.

Nevertheless, it is likely that the untouchable prestige of Slobodan Milosevic is the greatest obstacle to any divisions among the Socialists. To this, we should also add Milosevic's ability to make the departure of those whose services are no longer indispensable to him as painless and tolerable as possible.

If everything we have said is accurate, then these recent happenings among the Socialists can be classified under the heading, a favorite since back in the time of the Communists—"human relations." When the time for them arrives, it is natural that they should turn into a Saint Bartholomew's Massacre of greater or lesser proportions. That is why the testimony of Milorad Samardzic, secretary of the SPS for Kosmet, has universal significance. He told BORBA: "Our leadership has long been in conflict with the Albanian separatists. All of our meetings have been devoted to ways of removing some separatists from power. Our leadership would continue to do that even today, but today that is untenable. However, every meeting proceeds in the best possible order until at the end someone accuses someone of something and asks for his removal, as a kind of habit. That is when things get upset."

If we omit habit as the cause of the several Saint Bartholomew Massacres in the ranks of the SPS, then the reason for the removal in Belgrade might be a crisis which left too little pie to be divided up between the "two levels of the state": the city and the republic. In the Pancevo case, it seems that it was an attempt on the part of party officials to take command of both the government and the economy just as in the "good old times."

Finally, if deaccumulation should not stop with five or six officials, one might also reflect that in this way the SPS, in sacrificing its people, is trying to win sympathies among the voters, because the showdown with crime has ended even before it began. That could then be an introduction to preparations of the Socialists for some new election.

All of these guesses and predictions would certainly be superfluous if this sentence of Covic's: "When a politician makes a choice, he must also reflect that we can very quickly step down from this position," were conceived and applied quite normally in political life here.

Covic on Reasons for Leaving SPS Function

93BA1357D Belgrade NIN in Serbo-Croatian 30 Jul 93 pp 12-14

[Interview with Nebojsa Covic, M.A., prime minister of Belgrade, by Svetislav Spasojevic; place and date not given: "They Have No Mercy"]

[Text] *Nebojsa Covic, M.A., l'enfant terrible of the Socialist Party of Serbia [SPS], spoke to NIN after his removal from position of the first Socialist in the capital. Was the reason for his departure the excessive number of jobs he had, as it is being officially asserted, or "the young man's intolerable inclination to think with his own head." The reader will have an occasion in this article to learn directly what really happened in the meeting of the SPS City Committee when Mr. Covic was removed, his opinion about the party to which he belongs, about the opposition, about the visit to Vuk Draskovic in the hospital, about the relationship between Belgrade and the republic, about the fear of social unrest....*

[Spasojevic] The official reasons given for your removal from the post of first man among Belgrade Socialists is this: "The City Committee decided to apply the principle of deaccumulation of functions in the case of Nebojsa Covic...." Nevertheless, I must ask you, what was the real reason for your departure?

[Covic] It is an indisputable truth that at a certain moment there was an accumulation of a certain number of posts. Because of the extraordinary nature of the situation and the difficulty of the problems that had to be faced, there was good reason to share important jobs and obligations among more people. In any case, I also believe that a man should not accumulate posts and obligations, because this certainly diminishes his effect and creates a separate stratum of people who are supposedly "experts on all issues." I did not complain, but I felt the consequences of the effort to respond conscientiously and devotedly to all my obligations.

[Spasojevic] Mr. Covic, you are director of FMP-TRADE and prime minister of the Belgrade government. Before you were replaced, you were also president of the Belgrade Socialists. Which of these posts was most important to you?

[Covic] I was not particularly attached to any post. I myself offered to be relieved of some of them. However, I considered it important to remain precisely in the one from which I was relieved. The manner and speed in which this was done does not leave an intelligent man much room for dilemmas, and my assessment is that some people took advantage of the objective need for deaccumulation and removed me from the post where I could have hindered them the most.

[Spasojevic] Who are the people, or, still more precisely, who is the man whom you could hinder at some particular moment?

[Covic] In any government and around it, including ours, there are many visible or concealed people interested in nothing but gain. They would use anything and everyone to pursue their interests. There are such people in every party, and in particular this one in power. When someone begins to recognize them and threaten their position, they do not really have much mercy. These are people who will inflict immense damage on the entire party and sully all its members and followers with their one-time use or abuse of power. In addition to certain other reasons, this is one reason why odium toward the SPS has spread. It is hard to defend oneself against overambitious careerists, those in love with power, and those who are seeking gain. We in the City Committee began a process of cleaning up our ideas, our program, our methods, but also our personnel. It is obvious that in doing so we made certain charges and there was a response. No matter, we will continue that process, above all, in the interest of the party and in the name of all those who gave it their vote and their confidence.

[Spasojevic] I remain convinced that no one can be removed from such an important post as the top Socialist in Belgrade unless this is supported personally by Mr. Milosevic. Is it possible that you do not agree with my opinion?

[Covic] It is my personal conviction that the president was not the prime mover, and if I might so put it, in a certain sense, I think that in this case he was misused. Tendentiously, certainly, and deliberately misinformed.

[Spasojevic] Are you perhaps in some conflict with the president?

[Covic] We have not been, nor are we, in conflict! I would like to tell you that I have had occasion to see for myself that the information reaching him has been filtered and reshaped. Zealous soul-savers who try hard to get around him do not do so in order to protect him, but above all in order to protect themselves and their position. The damage they inflict on him thereby is enormous.

[Spasojevic] So far as I know, Mr. Milosevic did not agree with quite a few of your moves.

[Covic] There were issues which we did not see the same way. I have done some things which people held against me, probably even the president himself. However, I did nothing to harm the party or the body of government I headed. This is not difficult to prove, and I believe that the president appreciates that. I did perhaps work detrimentally to certain individuals, someone's favorites or pets. I behaved in an undisciplined and insubordinate way, but not as a rebel or renegade, but above all as a man for whom discipline means responsibility for acts committed or not committed, but not unquestioning consent to mistakes and untruths whatever they might be. No one has succeeded in imparting that kind of discipline in me, not even my own father.

[Spasojevic] There is a great deal of talk in Belgrade to the effect that the meeting of the City Committee of the SPS at which you were removed was preceded by your lengthy conversation with President Milosevic.

[Covic] It was precisely on the basis of a conversation with him that I realized that the president had been prepared in advance to support the proposal that I be relieved of the post of chairman of the City Committee of the SPS! The reason even for him was that I was overburdened. In his opinion, it was indispensable that I commit myself more to solving Belgrade's problem. I accepted that, although I am convinced that that assessment is perhaps not his, nor do I believe it is the best one.

[Spasojevic] Was the visit to Vuk Draskovic perhaps one of the reasons for your removal?

[Covic] Just like you, I am left to guess, but no one has reproached me directly or openly because of that. How people took that act of mine and weighed it is something unknown to me. I only know that no harm was done to the party, although there were semiofficial disavowals from my party.

[Spasojevic] Why did you visit Mr. Draskovic?

[Covic] My commitment in life is to science. In science, there are no boundaries or enemies. It is opening the door of a new world, and I like what I have seen behind that door. As the prime minister of the city, although the city did not in any way have jurisdiction concerning the events on 1 and 2 June and the arrest of the Draskovices, I received many requests and reports about irregularities in proceedings and about the drama of this couple.

Let us be clear, I am against all violence, political violence above all. I think that true politics must use other methods. Again within the limits of my own authority and opportunities, I attempted to learn the truth and it is on the basis of those altogether human reasons that I went to the hospital.

[Spasojevic] What part did you play in the amnesty granted to the Draskovices?

[Covic] It perhaps seems unlikely, but my capabilities are rather limited. Nevertheless, within their limits I did everything to stop the drama of the Draskovices. Aside from being personally sensitive to human suffering, I think no one had anything to gain from that, and we all had at least something to lose.

[Spasojevic] In the meeting of the Executive Committee, you did not accept the description that the SPO [Serbian Renewal Movement] was the organizer of the unrest on 1 and 2 June.

[Covic] I have a very high appreciation of the principle of Western jurisprudence—that everyone is innocent until proven guilty. In that context, a penalty cannot be pronounced on someone whose guilt has not been proven.

[Spasojevic] Mrs. Gruden also visited Danica and Vuk Draskovic.

[Covic] I see nothing unusual in that visit. Mrs. Gruden is a physician and also the mayor of Belgrade. I think those are quite sufficient grounds for the visit.

[Spasojevic] There is talk in the city that she will be removed and her place taken by Zika Mihajlovic, known as Mustikla.

[Covic] Unfortunately, I have learned a strange lesson of life from my own example, that stories begin to run through the streets before it seems that the fountain was turned on. To my great regret, I look differently on rumors and coffeehouse chatter than I did not long ago. I have no reliable information whatsoever, but experience tells me that that is not altogether impossible.

[Spasojevic] Mr. Covic, your party is not willing to tolerate even the slightest insubordination. You are adopting a new style in your behavior.

[Covic] I did not come, nor am I prepared to leave, because of someone's narrow, partial, and group interests. No one's interests for more power and less control and responsibility. I am not inclined to look on calmly when an opinion is imposed from a position of untouchability of an office even if that opinion is mistaken. It is impossible to transform collaborators into yes-men who have no personal view and opinion. I cannot accept a model of party discipline which negates the personal view and responsibility for decisionmaking and the consequences of decisions.

[Spasojevic] You are being seriously reproached for having attacked the government of Mr. Nikola Sainovic.

[Covic] I did not attack the government, but our unwillingness to fully face the truth about the actual state of affairs. And the truth is that Belgrade, where a third of the Serbian economy is located, will in a few months experience an utter collapse of the economic system. The question of the moment is when the city's municipal service system will break down beyond repair. If we go on this way, there is every prospect that we will begin the winter without prospects of heating Belgrade even at last year's level. Not to mention the pensioners who even now have reached the lowest level of subsistence, the young people who in spite of the enthusiasm of youth will not find any support for themselves. I am not a defeatist and I am not inclined to pessimism and gloomy moods, but neither am I in favor of deception and concealment of the truth. After all, though we may close our eyes, time is on the side of the truth, and it will catch up with us, leaving us little space for action and little opportunity to change the situation.

I ask you, how will you explain that under conditions of the blockade and sanctions, the war environment, and the immense number of refugees and the need for profound and essential economic changes, the government is not adopting an integrated program of solutions? Although we all know that we need a plan of interconnected and interdependent solutions, the government is reacting on an ad hoc basis, with measures that are not connected to one another!

[Spasojevic] I believe that you will not dispute the fact that we live surrounded by lawlessness.

[Covic] On that we certainly agree. Processes outside the law and the government's powerlessness or unwillingness to deal with those things are astounding. There is no doubt that we have a better people than we deserve. A people ready to endure in the name of certain general goals and interests, because of natural disasters of the injustice of the world. But it is intolerable for the people to have to endure things that result from the incompetence and unwillingness of those authorized to do the job for which they were elected. Not to mention speculation and abuse. In any case, I accept the objection that no one can evade responsibility for that situation, especially a person who is in power, that is, those who are called upon and authorized to make the decisions.

[Spasojevic] You are Belgrade prime minister. Are you afraid of possible social unrest?

[Covic] All of these troubles are felt most strongly, and Belgrade will suffer the most serious consequences of them. The asphalt is infinitely unforgiving. Anyone who does not understand that ought not to be making decisions about Belgrade. For that matter, many injustices have already been committed against Belgrade, and it has been put in the position of a helpless giant whose fall would result in terrible misfortunes. Belgrade has paid a high price precisely because it was and is the capital city, so that decisions have been made about it by those who experienced it as a residence, not as a city which they love and are concerned about. I was born in this city. It is the only place I want to live, and that is why I want it to be what it can and should be. I want above all for us to survive without upheavals and great traumas.

[Spasojevic] I asked you whether you were afraid of social unrest.

[Covic] I am afraid. There is not much time left, and we have to use all of our intellectual and professional potential in order to halt the disaster that is increasingly certain.

[Spasojevic] Can I conclude after that that the stories that you will submit your resignation are inaccurate?

[Covic] I am a temperamental fighter and I do not give up easily or quickly as long as I believe that at least one step can be accomplished by fighting. That is, I will fight. At the same time, I am perfectly aware that in the position of city prime minister I am an easy target. Belgraders will rightly not be concerned about the essential powerlessness of the city government and the objective fact that their city does not have even basic jurisdiction. Belgrade has been disenfranchised and treated like any little town in Serbia. It depends almost exclusively on the measures of the republic government. This city does not have jurisdiction even when it comes to its own security! And thus we have a city government that has no power, but at the same time is responsible for the situation in the city!

[Spasojevic] Is that one of the main lines of the conflict between you and the republic?

[Covic] Anyone can call attention to that responsibility at any time, to suit his purposes. That is why the essence of the city government's struggle has been—aside from maintaining the functions of the city—to restore powers to Belgrade. Emphasizing it and separating it on the basis of its specific nature, establishing the status of the capital with everything that means. That job is going very hard and it is no wonder that we have been encountering terrific resistance. Everyone is reluctant to give up rights to Belgrade. It is clear that the control over Belgrade, economic and political, has far greater weight than the influence on any other community in Serbia. However, what many people seem not to understand is the fact that if Belgrade falls economically and experiences undesirable and tragic social tensions, then every policy in it also falls.

[Spasojevic] The opposition has said that often you attacked it too sharply and unjustifiably.

[Covic] Some of my party comrades have accused me of being too well-inclined toward the opposition, believing that I have been excessively ready to treat the opposition as a collaborator on the same job. At the same time, it has received my criticism addressed to the opposition as an attack, which was not my intention, nor do I think that that is the way to go about it. I simply was criticizing certain wrong moves of the opposition. The opposition has basically set itself up wrongly. It has directed all its energy to tearing down the system and the government, often by undemocratic and unparliamentary methods. Instead of finding the right mechanism for influencing the government, making it more responsible and better, and fighting for institutionalized systems for removing it in cases of incompetence and abuse, it has wasted its energy fruitlessly.

[Spasojevic] In essence, it turns out that the relation between the government and the opposition has been and has remained exclusively a struggle for power as an end in itself.

[Covic] The frontal attack has evoked a frontal defense, and we have a situation in which party differences and disagreements over solutions between the government and opposition turn into real warfare, in which both sides give the impression that this is exclusively a struggle for power. It is the task of both the government and the opposition to fight mainly for the best solution on behalf of the people and the state.

[Spasojevic] The rumor is constantly resorted to that you supposedly took a bribe from Mr. Jezda. Is there any truth in those stories?

[Covic] That is one of the examples of how the processes of disqualification begin. Someone used Jezdimir Vasiljevic's departure to try to hit me with a scandal. Among other things, this is an abuse of the journalists, and I believe profoundly that it was not the opposition that did this to me. The truth is that Mr. Vasiljevic financed the election campaign of the Belgrade Socialists (and not only their campaign), which is his right. He is not the only one who did so. However, when it turned out that Jugoskandik failed financially, we decided to give back the money and thereby not take part in inflicting a loss on the depositors. And that money was returned. After Jezda himself has confirmed unambiguously that these are lies and an attempted frameup. No matter, some people persistently resort to this when it suits them. The factory of which I am director wanted to charge the newsmen and newspapers which asserted that, and perhaps that should have been done. I am unquestionably in favor of complete freedom of the press and the media, but I am in favor of one and only one standard of responsibility—the truth.

[Spasojevic] Now that we are at the truth, it is said that you are extremely rich.

[Covic] I personally consider myself an extremely rich person, but my wealth is not in property. I was born and grew up with parents and two brothers in an apartment that had an area of 50 square meters, in a worker settlement in Zeleznik. All three of us graduated as mechanical engineers from that environment and started out in life. That is the apartment where my father still lives. As a condition for coming to Proleter, which at that time was dying, I requested and got an apartment on condition that I would build it. I now live with my family—my wife and two children—in an apartment that has an area of 100 square meters, which I bought under the same conditions as everyone else. It is true that I drive a Mercedes, but I see nothing bad in that, because the factory is doing extremely well. Nothing, then, has been confiscated, stolen, taken from the government or anyone else. It was all created through difficult and strenuous work. I do not know why that should bother anyone except perhaps certain other unsuccessful and incompetent managers. Incidentally, this is throwing dust into the eyes of the people while incredible misappropriations and abuses are taking place, and there are suspicious new rich people being created.

[Spasojevic] It is beyond dispute that you differ in many respects from the majority of your party comrades. How did you happen to become a member of the Socialist Party of Serbia?

[Covic] I did not come because of political office, but because of my profound feeling of responsibility for the problems and the moment in which the entire society found itself. I believe that everyone, within the limits of his capability, must do something to solve the problems and overcome the momentary situation.

I came because of my personal political conviction, conditioned by my social and family legacy. The fundamental ideas of the Socialists are very close to me. The idea of justice, human equality and equal rights, humane treatment of people, freedom and truth, social justice, and the security of the individual, that is, the vision of a better, more democratic, and more just society.

On those grounds and in the name of those objectives, I am also ready to step down.

Milosevic's Policy on Kosovo Attacked

93BA1352F Belgrade BORBA in Serbo-Croatian 27 Jul 93 p 11

[Interview with Miroslav Solevic, vice president of the New Democracy, by Zorica Miladinovic; place and date not given: "These People Will Not Defend Kosovo"]

[Text] *"The present government has brought in swindlers who think that we fought so that the Albanians would stop stealing, but it is they who are beginning to steal," says the partisan of the antibureaucratic revolution.*

In Kosovo again nothing new, a time of war and sanctions "rocks" the Serbian Government, and the democratic opposition is at some new crossroads. Miroslav Solevic, Kosovo leader at the time of the first "events with the Serbian people" and currently vice president of the New Democracy, speaks about this for BORBA.

[Miladinovic] Does the continuing division of power, the recent document of the Forum of Albanian Intellectuals, the shortening of the stay by the KEBS [Conference on European Security and Cooperation] mission, indicate that the situation in Kosovo is becoming more complicated?

[Solevic] It is very easy for the Albanians to form a para-state parallel with ours, since they, unlike us, are united in achieving national goals. And the wandering of the foreign delegations should have been stopped in the beginning; now it is less important. Our "cap" has already been "cut out" in world centers of power and decisionmaking.

There are very serious reasons for concern, because we have not solved a single one of the vital problems in Kosovo. We have only succeeded in dismantling the Albanian state and with this we are making it impossible for the Albanians to achieve separatist goals from positions of state power. This is a great success, but not of the current government; rather our success was "already at that time." The present government, with honorable exceptions, has only brought in swindlers who think that we fought so that the Albanians would stop stealing, but only so that we could begin stealing! Each square centimeter of Kosovo could now be defended only by its own power. If Radovan Karadzic or Milan Babic defended it, I would not become upset.

If this government remains in Serbia, the Albanians will be able to achieve whatever they want, and even to take the whole thing! I'm most afraid when Milosevic says that "there is no reason for concern," and Radovan Bozovic confirms that to us. Of everything that Milosevic has promised, and this one has confirmed, has turned out the opposite. If those two Sainovic and Sokolovic defend us in Kosovo, when it comes to armed clashes, and this is unavoidable, write "failure."

Not for a single moment have Rugova and his colleagues insisted on a peaceful solution because they think that this is a way to resolve the Kosovo question, but because they assessed their chances for a war option very intelligently and wisely. Despite the current Serbian military superiority, the Albanians will enter into an armed conflict at that moment when actual support has been assured them from the field. I am convinced that there will be armed conflict because of Kosovo, but I am more afraid of the current protectors of Serbian interests. If they had any political intelligence, even today Yugoslavia would have 256,000 square kilometers, and a numerically smaller people, who have turned out to be greater and stronger with support from the side—they wouldn't be crushing our state. I pray to God that the Serbian government is replaced, because these people will not defend Kosovo.

[Miladinovic] Has the Serbian opposition become, politically, more intelligent, capable, and strong?

[Solevic] The opposition in Serbia is exceptionally weak, divided, and incapable of opposing the current government. The government has installed its people in opposition parties with exceptional skill, so that they can smash any of them at any time. The West has betrayed the Serbian opposition because, despite the fact that they have sworn that they want democracy, they want to retain Milosevic, since without him they would not be able to break up our country.

New forces must appear in the opposition in Serbia that will unite it and lead it into something that will result in serious changes. Vuk Draskovic should withdraw, since there is no other way out for the good of Serbia. He must listen to his brother Rodoljub. He must think seriously because of the fact that he went out to the first elections under unequal conditions and suffered defeat, why he mistakenly set a goal for the 9 March demonstrations, and after the election defeat of last year, or after 1 and 2 June. To the extent Milosevic is guilty for the situation in which the state of Serbia has found itself, the guilt of Vuk Draskovic is as great, if not greater, for the position in which the Serbian opposition is. When the Serbian people are reduced to the point where the undisputed leader of the opposition is led by his wife, who is a stronger personality than he, then it is clear what can happen both with these people and with the opposition. And Ms. Draskovic retains huge guilt, if not for anything else, then because of the fact that she drove away Seselj. Not because Seselj can benefit the opposition, but because he could not benefit the government.

[Miludinovic] How should the opposition proceed, in your opinion?

[Solevic] We need a radical change at the top, in the middle, and at the ends of the government. The complete ruling structures must go. They will probably have to go out onto the street, but this is a risky thing for the democratization of relations. Those who would erase the current government on the street will also erase the opposition, because they will not have any better opinion about it than does this government. Only then would everything be unpredictable and left to chance.

[Miludinovic] Should the opposition insist on parliamentary action?

[Solevic] The current Parliament is laughable, and in relation to it, even the one from the war up to now had some level, hierarchy, and order. Bidza and Raka illustrate this best, and the opposition serves here only for the mockery and circus prevailing in its auxiliary party. But, I'm upset that the huge majority of opposition delegates do not see at all that they are also "Bidza and Raka."

[Miludinovic] Should the opposition leave such a parliament?

[Solevic] It doesn't matter. There's no harm at all if they stay, and there's none if they leave.

[Box, p 11]

The Nobel to Karadzic

Radovan Karadzic, for tricking the whole world Mafia and ruling politicians in Serbia about the signing of the latest Vance-Owen plan, has earned the Nobel prize. He should get it for carrying out policy and diplomacy and tricking all those monkeys. Because, on the occasion of the signing of the plan, it turned out as if he had said: "No problem, I'll loan you money, but I ask the sister-in-law." Then the sister-in-law said that she couldn't settle until she asked her mother-in-law, and the latter's stand at the end was: "Go to hell." Brilliantly done.

[Box, p 11]

Vuk Deserved Jail, but for Something Else

I did not want to say this while Vuk Draskovic was in jail. I'm not criticizing Vuk for the way he thought about removing the current government and because of this they shouldn't have jailed him. But he deserved jail because, with about 10,000 people, he began to destroy the machinery behind which 70,000 policemen and 100,000 soldiers were standing. He deserved jail, but the explanation for this is only erroneous.

However, they shouldn't have jailed Ms. Dana; they should have released her, and taken an "intelligent" step that way. Because, the time has finally come for Serbia to get a "Jovanka Orleanka!"

Macedonia

Opposition Warns of 'Islamic Political Block'

AU2508074493 Skopje MILS-NEWS in English 24 Aug 93

[Unattributed report: "Opposition to an Islamic Political Block"]

[Text] VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] called upon the Macedonian Government yesterday to review the activities of the parties in Macedonia that do not originate in Macedonia. This party warned that an Islamic political block was being formed in Macedonia, exemplified by the Saturday [21 August] meeting held by the SDA of Macedonia, (Party of Democratic Action). Namely, this party would be comprised of Muslims from Bosnia and Sandzak who have immigrated to Macedonia, Turks, Gypsies, Albanians and Muslim Macedonians.

The party's Secretary General, Avdija Pepic, stated that "the current status of the Muslims in Macedonia does not guarantee their citizens' security." He requested that the Muslims be also mentioned in the Constitution, an irregular census of the population, and a double Macedonian and Bosnian citizenship.

Montenegro

Commentary Views Possible Air Strike Against Serbs

AU2408123493 Podgorica MONITOR in Serbo-Croatian 13 Aug 93 p 5

[Commentary by Miodrag Vukmanovic: "A War of Nerves"]

[Text] The fact that both world wars and the most difficult financial crises broke out in August could be of some astrological significance, and journalists know best why various wonders happen exactly in this hot month, but we should not rush to the conclusion that a war will break out now. Many people wonder whether the present campaign about a possible NATO intervention in Bosnia-Herzegovina is yet another August apparition, or—to be more exact—yet another unconvincing Western threat to the army of Bosnian Serbs, which is encircling Sarajevo. A few of our people who are able to inform themselves more objectively from foreign media get confused by what they read or hear. How can one predict what is coming, if the most respected Washington, London, or Paris dailies write one day about the necessity of an air strike against Karadzic's army—ranking such an intervention as an issue of national dignity and prestige—only to question the usefulness of such an action the next day. They act according to the principle that also "the other side has to be heard," trying to prevent possible inadequate decisions of their governments. In contrast to them, the Yugoslav media do not burden its readers with the doubts about "our reality" and claim that there will be a favorable unfolding of events.

The NATO decision to start air strikes against the Serbian positions in Bosnia if the Serbian side does not fulfill certain military and political conditions is referred to as something that should not upset us. According to the official Yugoslav interpretation it seems an agreement was reached at the last NATO meeting that conceals the disharmony between the allies. The U.S. belligerence was caught in UN nets. Russia opposes any action. The Serbs are making a concession by withdrawing their troops from Mounts Bjelasnica and Igman. The Geneva peace talks are being sabotaged by Izetbegovic, who relies on the U.S. intervention etc. To cut a long story short, according to Yugoslav media the danger of an air strike has apparently been averted.

It is evident that the West is trying to avoid a military action in Bosnia by all means, even if this decision should have serious political, moral and who knows what kind of consequences. The only question is why the United States and the European Community, as the dominant international powers, allow this and how long they will allow it. It is difficult to give a short and convincing answer to the first part of this question, but the answer really would not contain the information that the Western allies are afraid of the Serbian resistance and that the international community is treating the Serbian "liberation war" in a different way from the way it used to. It is even less correct that the West has accepted the creation of a "greater Serbia" hidden under the name of Yugoslavia. On the contrary, not a single problem resulting from the dissolution of Yugoslavia has been solved yet, and Serbia and Montenegro are moaning under the burden of the economic isolation which, according to Warren Christopher, will not be suspended even if it comes to a political agreement on Bosnia-Herzegovina. This is something new only for those who lie and are convinced that everybody else does, too.

The planned air strikes are still being postponed, not because of fear of ineffectiveness since they would be directed at clearly defined targets, but because of the impossibility of predicting what will happen after the first or any subsequent bombardment. They cannot be postponed forever, though. The use of force, as expressed at the last NATO meeting, can have positive results only if the parties to the conflict understand it as a powerful military and political message that they have to take the Geneva peace talks seriously and indulgently. According to experts, the NATO planes stationed in Italy and on aircraft carriers in the Adriatic would have no problem neutralizing heavy weapons, but they would not have much success chasing after the soldiers scattered around the Bosnian mountains. The Serbian commanders in Bosnia know that and that is why they are not much upset about the threats from Washington and Brussels. Their central command also knows that air strikes, no matter how precise or powerful, are only a sanction if they support land operations, because only these forces can terminate the conflict. The United States, as a supporter of a military intervention, has not announced the deployment of ground forces in Bosnia. This fact encourages [Bosnian Serb commander] Mladic, who is therefore not ready to give in; on the contrary, he is ready to "strike back as fiercely as his power enables him to." The very attempt to respond would in case of an incomplete success—which would immediately be interpreted as a defeat by the propaganda machine— produce a strong psychological effect on the Serbian army, which would feel capable of challenging the whole world. The air strikes protecting humanitarian convoys are not something that can force Karadzic to negotiate in Geneva without a superiority complex. NATO knows about these Serbian calculations and is aware of the fact that more serious challenges would follow after an adventure from the air.

Kosovo

Seselj's 'Chetniks' Demonstrate in Province

AU2408191093 Tirana ATA in English 1756 GMT 22 Aug 93

[Text] Tirana, August 22 (ATA)—Demonstrations of Chetniks in the uniform of the Serbian pre-military units of Seselj, led by several local Serbians of Perlepnice village of Gjilan, took place on August 21 at noon in this village. The way of demonstration was very provoking, the DLK [Kosova Democratic Alliance] branch in Gjilan reports.

Police Confiscate Goods 'To Finance Serbian Army'

AU2508092993 Tirana ATA in English 0846 GMT 25 Aug 93

[Text] Tirana, August 25 (ATA)—The 2.5 million DM [German marks] worth of goods confiscated from ethnic Albanian merchants by the Serbian financial police will probably be used to finance the Serbian army and militia in Kosova. Similar deprivations have been carried out in Shtime, a region of Kosova, where the police have confiscated commodities worth 200 thousand DM.

The victims of the confiscations dare not protest for fear of official reprisals. A number of merchants prefer to close their stores saying "They are on vacation." It seems likely that these vacations will last as long as the Serbian authorities in Kosova need to supplement their budget.

* Tension Builds Between Belgrade, Kosovo

93AF0557B London AL-HAYAH in Arabic 3 Aug 93 p 8

[Report by Jamil Rufa'il from Skopje, Macedonia, and by the AL-HAYAH bureau from Pristina, Kosovo]

[Text] Upon the request of the Belgrade government, last Wednesday, the observer mission from the European Conference of Security and Cooperation left the region of Kosovo in the Serb Republic. This region has a majority of Albanians. This took place at a time when tension and confrontation is increasing in the area between the Serbian authorities and the Albanian population.

Hardly a day passes without a statement from the Serbian police that a number of its forces have been killed or wounded as a result of an attack launched by the Albanian terrorists who use hand grenades and machine guns. What is of interest is that, in spite of all the police casualties, no casualties were reported among the Albanians and no arrests were reported.

A source in the Kosovo police commented on this phenomenon to AL-HAYAH: "In their raids, the Albanians follow highly organized plans. They usually launch their raids after midnight when the police forces on duty become exhausted. They also target small patrols in difficult terrain or dark areas; they follow a system of hit-and-run. I believe that such a skill in fighting indicates that the attackers have been highly trained in special camps in certain countries in the Balkans."

The source attributed the inability of the police to arrest any of the attackers—in spite of surrounding the areas where the attacks take place and the huge investigation campaign—to the fact that it is difficult to get confessions from the poeple in the areas mostly populated by Albanians, who either sympathize with the attackers or are afraid to give any information lest they become subject to revenge.

Albanian Leadership

The Albanian leadership has a different opinion toward these incidents. The leader of the Albanians in Kosovo, Mr. Ibrahim Rugova, said to AL-HAYAH that these incidents "are fabricated by the authorities to find a pretext to increase their persecution and terrorism against the Albanians and to continue their attempt at ethnic cleansing, which has forced more than 300,000 Albanians, mostly youth, to leave Kosovo in less than two years."

Mr. Rugova, who was elected by the Albanians as president of their unilaterally declared republic, said, "All the injustice, persecution, and activities against the Albanians in Kosovo comes as a result of the central directives of the Serbian regime that attempt to achieve the goals of Serbian President Slobodan Milosevic, who at all costs insists on holding onto Kosovo and considers all that takes place to be domestic affairs that he can deal with as he pleases."

Rugova affirmed that the claims of Milosevic are "a blatant denial of the facts, because Kosovo was one of the regions of the former Yugoslavian Federation. After the collapse of the federation, the matter became internationalized, just as the issues of the other regions that chose independence. On this basis, we are not calling for a separation, as he claims. We are exercising our legitimate right to self-determination."

The Albanian leader opposes any solution based on keeping Kosovo a part of Serbia or the new Yugoslavia, because "granting Kosovo any form of autonomy, however comprehensive, will not lead to a lasting solution. It will be no more than a new framework for other conflicts."

Rugova added, "Kosovo is not a part of the Serbian region by any standard—either by its demographic composition, national background, or the will of its people, who expressed their opinion two years ago in a general referendum and opted for sovereignty and independence. That is why Serbia cannot force our people to remain with its borders. Force is not going to succeed in controlling the Albanians, because Kosovo will be a heavy burden that Serbia cannot shoulder for long."

Rugova said that the Serbian authorities ended the mission of the European observers as a response to the expulsion of Serbia from the ECSC [European Coal and Steel Community], which resulted in severing relations between the two sides. He said that it is just a pretext, especially since the mission of the observers started months after the expulsion. The truth is that the Serbian regime is no longer capable of dealing with the statements of the observers at a time when it wants to continue its campaigns of aggression, oppression, and confiscation of Albanian property away from witnesses and the international presence.

He added that "the Serbian measures against the Albanians noticeably increased after the departure of the European observers. The Serbian police arrested more than 100 people in Kosovo under the pretext of investigating the attacks against police in the suburbs of the capital, Pristina, and the city of Prizren a few days ago."

He affirmed that the Albanians are practicing self-restraint and are not reacting to these acts of cruelty directed against them. According to him, this is the only reason that Kosovo has so far avoided a heavy confrontation that may lead to civil war.

The Albanian leader positively evaluated the presence of U.S. and international forces in Macedonia, considering these forces "an important guarantee against any Serbian attempt to annihilate the Albanians and put an end to our existence in this area."

International Forces

Despite the general conviction in Kosovo of the importance of the international forces in Macedonia, a high official—in one of the major Albanian parties represented in the Parliament of Kosovo, elected unilaterally by the Albanians—said to AL-HAYAH, requesting anonymity, that a large sector of the Albanians "does not see any benefit from these forces based on the lesson of Bosnia-Herzegovina."

The official expressed his concern that the mission of these forces will be just to form a barrier that prevents any external aid or intervention from supporting the Albanians in case they are attacked by the Serbs or that prevents the war from extending outside Kosovo, in addition to preventing the migration of Albanians to safe havens in Macedonia. Thus, the Serbs would be able to repeat in Kosovo what they are doing in Bosnia. The role of the international community would be limited to humanitarian aid, keeping a record of incidents and crimes, and strong condemnations.

Vojvodina

Private Gas Station Lowers Prices

*93BA1372B Belgrade POLITIKA in Serbo-Croatian
5 Aug 93 p 10*

[Article by S. Zivkovic: "The Price Depends on the Bribe"]

[Text] Novi Sad, 4 Aug—Yesterday's news item in POLITIKA that at the private gasoline station Embargo 6 in Novi Sad gasoline was about one-third cheaper attracted the attention of the public not only because of the price, but above all because of the oddity of something like that happening in a situation when there is less and less petroleum on the market and fuel prices are nevertheless moving upward every day.

In early June, the Embargo 6 gasoline station on Tekije in Petrovaradin was leased from NIS [Petroleum Industry of Serbia] by the private firm Inter-Tejs, whose owner is the former boxing champion Tadija Kacar, who lives in the Veternik quarter of Novi Sad. Incidentally, in Novi Sad there are about 10 gasoline stations with the name Embargo and different lessees. The lease is for three months, but Kacar has the option of renewing it for another three months so long as the blockade of our country continues.

Kacar does not want to talk about the rent, but he mentioned that the amount is something he can live with.

"I dropped the price of high-grade gasoline to 2.4 German marks [DM] per liter, which is 30 pfennigs cheaper than a few days ago," Kacar said. "At the same time, the price of diesel fuel dropped from DM2 to 1.70 pfennigs per liter, and I believe that compared to other private gasoline stations in Serbia, fuel is cheapest here, but I do not think it is impossible for it to be even cheaper. That is, if the problems with purchasing become at least a little easier, there soon will be a new drop in the price...."

The problems to which Kacar is referring include the lengthy chain of middlemen in the purchase of fuel, because Embargo 6 is selling imported gasoline exclusively.

It is well-known that many people on our borders are ready to look the other way when a cargo passes if they are given a fat bribe, so it is up to the resourcefulness of the purchaser to see how and in what way he will evade this kind of "lubrication."

Asked how profitable it has been for him to reduce the price, Tadija Kacar said that this is the simplest marketing logic: the lower the price, the higher the turnover, and the better the earnings.

The station operates around-the-clock, very rarely does it run out of fuel, so that it has regular customers who come from Belgrade and other distant places, filling not only their tanks, but also carrying gasoline away in canisters.

And finally, another oddity: Whereas in Novi Sad and other places in Vojvodina in recent days many private gasoline stations have been shutting down because of the shortage of fuel, Tadija Kacar, he told us, intends to open at least one other gasoline station soon. Perhaps even in Belgrade.

Inflation Loss of Trillion Dinars on Wheat Purchase

*93BA1352A Belgrade BORBA in Serbo-Croatian
26 Jul 93 p 28*

[Unattributed report: "Problems With the Purchase of Grain in Vojvodina: Inflation Has 'Eaten Up' a Trillion Dinars"]

[Text] Novi Sad—Commodity reserves in Vojvodina have lost a trillion dinars irretrievably simply because wheat producers, dissatisfied with the price, have refused to accept the money.

This figure was presented to members of the Cooperative Alliance of Vojvodina by the deputy director of commodity reserves of Serbia, Milos Radovic, who emphasized that there are no dislocations if the purchase of wheat from the farmer is advanced in the future for up to two days, so that the consequences of inflation would be avoided in this way.

Many farmers in Vojvodina are criticizing the authorities for prescribing complicated and ineffective systems for purchasing wheat. Specifically, cooperatives that buy up a market surplus of wheat must "block" cash at the bank in the morning, and only then prepare the necessary papers. Because of this one must often travel from the village to the district seat, and sometimes even to Novi Sad.

Because of such a procedure, in Senta for example, all employees of the bank, the Service for Payments Turnover, and cashier's offices of cooperatives have been working late into the night for days in order to distribute several billion dinars to the farmers, which amounts to 900 cars of delivered wheat.

Dissatisfied farmers have returned money from the current account of the cooperative two times, because the payment was late by eight days in one case and 14 in the other. Because of this, about 17 billion dinars was lost just in the name of bank fees. Organizations that are engaged in the purchase of wheat see the escape from such situations in paying the money for the wheat two days early and taking care of the invoices and other paperwork afterwards.